

# Calendar No. 187

107TH CONGRESS  
1ST SESSION

# S. 1510

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

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## IN THE SENATE OF THE UNITED STATES

OCTOBER 4, 2001

Mr. DASCHLE (for himself, Mr. LOTT, Mr. LEAHY, Mr. HATCH, Mr. GRAHAM, Mr. SHELBY, and Mr. SARBANES) introduced the following bill; which was read the first time

OCTOBER 8, 2001

Read the second time and placed on the calendar

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## A BILL

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,*

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

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “Uniting and Strengthening America Act” or the “USA  
6 Act of 2001”.

1 (b) TABLE OF CONTENTS.— The table of contents  
 2 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 Muslim Americans.  
 Sec. 103. Increased funding for the technical support center at the Federal Bureau 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 relating to terrorism.  
 Sec. 202. Authority to intercept wire, oral, and electronic communications relating to computer fraud and abuse offenses.  
 Sec. 203. Authority to share criminal investigative information.  
 Sec. 204. Clarification of intelligence exceptions from limitations on interception and disclosure of wire, oral, and electronic communications.  
 Sec. 205. Employment of translators by the Federal Bureau of Investigation.  
 Sec. 206. Roving surveillance authority under the Foreign Intelligence Surveillance 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 Surveillance 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.

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. Exclusion of aliens involved in money laundering.
- Sec. 322. Corporation represented by a fugitive.
- Sec. 323. Enforcement of foreign judgments.
- Sec. 324. Increase in civil and criminal penalties for money laundering.
- Sec. 325. Report and recommendation.
- Sec. 326. Report on effectiveness.
- Sec. 327. Concentration accounts at financial institutions.

SUBTITLE B—CURRENCY TRANSACTION REPORTING AMENDMENTS AND  
RELATED IMPROVEMENTS

- Sec. 331. Amendments relating to reporting of suspicious activities.
- Sec. 332. Anti-money laundering programs.
- Sec. 333. Penalties for violations of geographic targeting orders and certain recordkeeping requirements, and lengthening effective period of geographic targeting orders.
- Sec. 334. Anti-money laundering strategy.
- Sec. 335. Authorization to include suspicions of illegal activity in written employment references.
- Sec. 336. Bank Secrecy Act advisory group.
- Sec. 337. Agency reports on reconciling penalty amounts.
- Sec. 338. Reporting of suspicious activities by securities brokers and dealers.
- Sec. 339. Special report on administration of Bank Secrecy provisions.
- Sec. 340. Bank Secrecy provisions and anti-terrorist activities of United States intelligence agencies.
- Sec. 341. Reporting of suspicious activities by hawala and other underground banking systems.
- Sec. 342. Use of Authority of the United States Executive Directors.

SUBTITLE D—CURRENCY CRIMES

- Sec. 351. Bulk cash smuggling.

SUBTITLE E—ANTICORRUPTION MEASURES

- Sec. 361. Corruption of foreign governments and ruling elites.
- Sec. 362. Support for the financial action task force on money laundering.

Sec. 363. Terrorist funding through money laundering.

#### 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 points 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.

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

Sec. 501. Professional Standards for Government Attorneys Act of 2001.

Sec. 502. Attorney General's authority to pay rewards to combat terrorism.

Sec. 503. Secretary of State's authority to pay rewards.

Sec. 504. DNA identification of terrorists and other violent offenders.

Sec. 505. Coordination with law enforcement.

Sec. 506. Miscellaneous national security authorities.

Sec. 507. Extension of Secret Service jurisdiction.

Sec. 508. Disclosure of educational records.

Sec. 509. 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. Expansion of the biological weapons statute.
- Sec. 803. Definition of domestic terrorism.
- Sec. 804. Prohibition against harboring terrorists.
- Sec. 805. Jurisdiction over crimes committed at U.S. facilities abroad.
- Sec. 806. Material support for terrorism.
- Sec. 807. Assets of terrorist organizations.
- Sec. 808. Technical clarification relating to provision of material support to terrorism.
- Sec. 809. Definition of Federal crime of terrorism.
- Sec. 810. No statute of limitation for certain terrorism offenses.
- Sec. 811. Alternate maximum penalties for terrorism offenses.
- Sec. 812. Penalties for terrorist conspiracies.
- Sec. 813. Post-release supervision of terrorists.
- Sec. 814. Inclusion of acts of terrorism as racketeering activity.
- Sec. 815. Deterrence and prevention of cyberterrorism.
- Sec. 816. Additional defense to civil actions relating to preserving records in response to government requests.
- Sec. 817. Development and support of cybersecurity forensic capabilities.

#### 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.

### 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-

1 imum effect permitted by law, unless such holding shall  
2 be one of utter invalidity or unenforceability, in which  
3 event such provision shall be deemed severable from this  
4 Act and shall not affect the remainder thereof or the appli-  
5 cation of such provision to other persons not similarly situ-  
6 ated or to other, dissimilar circumstances.

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

9 **SEC. 101. COUNTERTERRORISM FUND.**

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

15 (1) to reimburse any Department of Justice  
16 component for any costs incurred in connection  
17 with—

18 (A) reestablishing the operational capa-  
19 bility of an office or facility that has been dam-  
20 aged or destroyed as the result of any domestic  
21 or international terrorism incident;

22 (B) providing support to counter, inves-  
23 tigate, or prosecute domestic or international  
24 terrorism, including, without limitation, paying  
25 rewards in connection with these activities; and

1 (C) conducting terrorism threat assess-  
2 ments of Federal agencies and their facilities;  
3 and

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

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

14 **SEC. 102. SENSE OF CONGRESS CONDEMNING DISCRIMINA-**  
15 **TION AGAINST ARAB AND MUSLIM AMERI-**  
16 **CANS.**

17 (a) FINDINGS.—Congress makes the following find-  
18 ings:

19 (1) Arab Americans, Muslim Americans, and  
20 Americans from South Asia play a vital role in our  
21 Nation and are entitled to nothing less than the full  
22 rights of every American.

23 (2) The acts of violence that have been taken  
24 against Arab and Muslim Americans since the Sep-  
25 tember 11, 2001, attacks against the United States

1 should be and are condemned by all Americans who  
2 value freedom.

3 (3) The concept of individual responsibility for  
4 wrongdoing is sacrosanct in American society, and  
5 applies equally to all religious, racial, and ethnic  
6 groups.

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

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

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

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

23 (1) the civil rights and civil liberties of all  
24 Americans, including Arab Americans, Muslim  
25 Americans, and Americans from South Asia, must

1 be protected, and that every effort must be taken to  
2 preserve their safety;

3 (2) any acts of violence or discrimination  
4 against any Americans be condemned; and

5 (3) the Nation is called upon to recognize the  
6 patriotism of fellow citizens from all ethnic, racial,  
7 and religious backgrounds.

8 **SEC. 103. INCREASED FUNDING FOR THE TECHNICAL SUP-**  
9 **PORT CENTER AT THE FEDERAL BUREAU OF**  
10 **INVESTIGATION.**

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

19 **SEC. 104. REQUESTS FOR MILITARY ASSISTANCE TO EN-**  
20 **FORCE PROHIBITION IN CERTAIN EMER-**  
21 **GENCIES.**

22 Section 2332e of title 18, United States Code, is  
23 amended—

24 (1) by striking “2332c” and inserting “2332a”;

25 and

1 (2) by striking “chemical”.

2 **SEC. 105. EXPANSION OF NATIONAL ELECTRONIC CRIME**  
3 **TASK FORCE INITIATIVE.**

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

12 **SEC. 106. PRESIDENTIAL AUTHORITY.**

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

15 (1) in subsection (a)(1)—

16 (A) at the end of subparagraph (A) (flush  
17 to that subparagraph), by striking “; and” and  
18 inserting a comma and the following:

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

21 (B) in subparagraph (B)—

22 (i) by inserting “, block during the  
23 pendency of an investigation” after “inves-  
24 tigate”; and

1           (ii) by striking “interest;” and insert-  
2           ing “interest by any person, or with re-  
3           spect to any property, subject to the juris-  
4           diction of the United States; and”; and  
5           (C) by inserting at the end the following:  
6           “(C) when the United States is engaged in  
7           armed hostilities or has been attacked by a for-  
8           eign country or foreign nationals, confiscate any  
9           property, subject to the jurisdiction of the  
10          United States, of any foreign person, foreign  
11          organization, or foreign country that he deter-  
12          mines has planned, authorized, aided, or en-  
13          gaged in such hostilities or attacks against the  
14          United States; and all right, title, and interest  
15          in any property so confiscated shall vest, when,  
16          as, and upon the terms directed by the Presi-  
17          dent, in such agency or person as the President  
18          may designate from time to time, and upon  
19          such terms and conditions as the President may  
20          prescribe, such interest or property shall be  
21          held, used, administered, liquidated, sold, or  
22          otherwise dealt with in the interest of and for  
23          the benefit of the United States, and such des-  
24          ignated agency or person may perform any and

1 all acts incident to the accomplishment or fur-  
2 therance of these purposes.”; and

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

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

11 **TITLE II—ENHANCED**  
12 **SURVEILLANCE PROCEDURES**

13 **SEC. 201. AUTHORITY TO INTERCEPT WIRE, ORAL, AND**  
14 **ELECTRONIC COMMUNICATIONS RELATING**  
15 **TO TERRORISM.**

16 Section 2516(1) of title 18, United States Code, is  
17 amended—

18 (1) by redesignating paragraph (p), as so redesi-  
19 gnated by section 434(2) of the Antiterrorism and  
20 Effective Death Penalty Act of 1996 (Public Law  
21 104–132; 110 Stat. 1274), as paragraph (r); and

22 (2) by inserting after paragraph (p), as so re-  
23 designating by section 201(3) of the Illegal Immigra-  
24 tion Reform and Immigrant Responsibility Act of

1 1996 (division C of Public Law 104–208; 110 Stat.  
2 3009–565), the following new paragraph:

3 “(q) any criminal violation of section 229 (relating  
4 to chemical weapons); or sections 2332, 2332a, 2332b,  
5 2332d, 2339A, or 2339B of this title (relating to ter-  
6 rorism); or”.

7 **SEC. 202. AUTHORITY TO INTERCEPT WIRE, ORAL, AND**  
8 **ELECTRONIC COMMUNICATIONS RELATING**  
9 **TO COMPUTER FRAUD AND ABUSE OF-**  
10 **FENSES.**

11 Section 2516(1)(c) of title 18, United States Code,  
12 is amended by striking “and section 1341 (relating to mail  
13 fraud),” and inserting “section 1341 (relating to mail  
14 fraud), a felony violation of section 1030 (relating to com-  
15 puter fraud and abuse),”.

16 **SEC. 203. AUTHORITY TO SHARE CRIMINAL INVESTIGATIVE**  
17 **INFORMATION.**

18 (a) **AUTHORITY TO SHARE GRAND JURY INFORMA-**  
19 **TION.—**

20 (1) **IN GENERAL.—**Rule 6(e)(3)(C) of the Fed-  
21 eral Rules of Criminal Procedure is amended—

22 (A) in clause (iii), by striking “or” at the  
23 end;

24 (B) in clause (iv), by striking the period at  
25 the end and inserting “; or”; and

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

2 “(v) when the matters involve foreign  
3 intelligence or counterintelligence (as de-  
4 fined in section 3 of the National Security  
5 Act of 1947 (50 U.S.C. 401a)), or foreign  
6 intelligence information (as defined in Rule  
7 6(e)(3)(C)(ii)) to any other Federal law en-  
8 forcement, intelligence, protective, immi-  
9 gration, national defense, or national secu-  
10 rity official in order to assist the official  
11 receiving that information in the perform-  
12 ance of his official duties.

13 Any Federal official who receives information  
14 pursuant to clause (v) may use that information  
15 only as necessary in the conduct of that per-  
16 son’s official duties subject to any limitations  
17 on the unauthorized disclosure of such informa-  
18 tion.”.

19 (2) DEFINITION.—Rule 6(e)(3)(C) of the Fed-  
20 eral Rules of Criminal Procedure, as amended by  
21 paragraph (1), is amended by—

22 (A) inserting “(i)” after “(C)”;

23 (B) redesignating clauses (i) through (v)  
24 as subclauses (I) through (IV), respectively; and

25 (C) inserting at the end the following:

1           “(ii) In this subparagraph, the term ‘for-  
2           eign intelligence information’ means—

3                   “(I) information, whether or not con-  
4                   cerning a United States person, that re-  
5                   lates to the ability of the United States to  
6                   protect against—

7                           “(aa) actual or potential attack  
8                           or other grave hostile acts of a foreign  
9                           power or an agent of a foreign power;

10                           “(bb) sabotage or international  
11                           terrorism by a foreign power or an  
12                           agent of a foreign power; or

13                           “(cc) clandestine intelligence ac-  
14                           tivities by an intelligence service or  
15                           network of a foreign power or by an  
16                           agent of a foreign power; or

17                   “(II) information, whether or not con-  
18                   cerning a United States person, with re-  
19                   spect to a foreign power or foreign terri-  
20                   tory that relates to—

21                           “(aa) the national defense or the  
22                           security of the United States; or

23                           “(bb) the conduct of the foreign  
24                           affairs of the United States.”.

1 (b) AUTHORITY TO SHARE ELECTRONIC, WIRE, AND  
2 ORAL INTERCEPTION INFORMATION.—

3 (1) LAW ENFORCEMENT.—Section 2517 of title  
4 18, United States Code, is amended by inserting at  
5 the end the following:

6 “(6) Any investigative or law enforcement officer, or  
7 attorney for the Government, who by any means author-  
8 ized by this chapter, has obtained knowledge of the con-  
9 tents of any wire, oral, or electronic communication, or  
10 evidence derived therefrom, may disclose such contents to  
11 any other Federal law enforcement, intelligence, protec-  
12 tive, immigration, national defense, or national security of-  
13 ficial to the extent that such contents include foreign intel-  
14 ligence or counterintelligence (as defined in section 3 of  
15 the National Security Act of 1947 (50 U.S.C. 401a)), or  
16 foreign intelligence information (as defined in subsection  
17 (19) of section 2510 of this title), to assist the official  
18 who is to receive that information in the performance of  
19 his official duties. Any Federal official who receives infor-  
20 mation pursuant to this provision may use that informa-  
21 tion only as necessary in the conduct of that person’s offi-  
22 cial duties subject to any limitations on the unauthorized  
23 disclosure of such information.”.

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

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

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

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

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

7 “(A) information, whether or not con-  
8 cerning a United States person, that relates to  
9 the ability of the United States to protect  
10 against—

11 “(i) actual or potential attack or other  
12 grave hostile acts of a foreign power or an  
13 agent of a foreign power;

14 “(ii) sabotage or international ter-  
15 rorism by a foreign power or an agent of  
16 a foreign power; or

17 “(iii) clandestine intelligence activities  
18 by an intelligence service or network of a  
19 foreign power or by an agent of a foreign  
20 power; or

21 “(B) information, whether or not con-  
22 cerning a United States person, with respect to  
23 a foreign power or foreign territory that relates  
24 to—

1                   “(i) the national defense or the secu-  
2                   rity of the United States; or

3                   “(ii) the conduct of the foreign affairs  
4                   of the United States.”.

5           (c) PROCEDURES.—The Attorney General shall es-  
6   tablish procedures for the disclosure of information pursu-  
7   ant to section 2517(6) and Rule 6(e)(3)(C)(v) of the Fed-  
8   eral Rules of Criminal Procedure that identifies a United  
9   States person, as defined in section 101 of the Foreign  
10   Intelligence Surveillance Act of 1978 (50 U.S.C. 1801)).

11           (d) FOREIGN INTELLIGENCE INFORMATION.—

12                   (1) IN GENERAL.—Notwithstanding any other  
13                   provision of law, it shall be lawful for foreign intel-  
14                   ligence or counterintelligence (as defined section 3 of  
15                   the National Security Act of 1947 (50 U.S.C.  
16                   401a)) or foreign intelligence information obtained  
17                   as part of a criminal investigation to be disclosed to  
18                   any Federal law enforcement, intelligence, protective,  
19                   immigration, national defense, or national security  
20                   official in order to assist the official receiving that  
21                   information in the performance of his official duties.  
22                   Any Federal official who receives information pursu-  
23                   ant to this provision may use that information only  
24                   as necessary in the conduct of that person’s official

1 duties subject to any limitations on the unauthorized  
2 disclosure of such information.

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

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

8 (i) actual or potential attack or other  
9 grave hostile acts of a foreign power or an  
10 agent of a foreign power;

11 (ii) sabotage or international ter-  
12 rorism by a foreign power or an agent of  
13 a foreign power; or

14 (iii) clandestine intelligence activities  
15 by an intelligence service or network of a  
16 foreign power or by an agent of a foreign  
17 power; or

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

21 (i) the national defense or the security  
22 of the United States; or

23 (ii) the conduct of the foreign affairs  
24 of the United States.

1 **SEC. 204. CLARIFICATION OF INTELLIGENCE EXCEPTIONS**  
2 **FROM LIMITATIONS ON INTERCEPTION AND**  
3 **DISCLOSURE OF WIRE, ORAL, AND ELEC-**  
4 **TRONIC COMMUNICATIONS.**

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

7 (1) by striking “this chapter or chapter 121”  
8 and inserting “this chapter or chapter 121 or 206  
9 of this title”; and

10 (2) by striking “wire and oral” and inserting  
11 “wire, oral, and electronic”.

12 **SEC. 205. EMPLOYMENT OF TRANSLATORS BY THE FED-**  
13 **ERAL BUREAU OF INVESTIGATION.**

14 (a) **AUTHORITY.**—The Director of the Federal Bu-  
15 reau of Investigation is authorized to expedite the employ-  
16 ment of personnel as translators to support  
17 counterterrorism investigations and operations without re-  
18 gard to applicable Federal personnel requirements and  
19 limitations.

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

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

1           (1) the number of translators employed by the  
2 FBI and other components of the Department of  
3 Justice;

4           (2) any legal or practical impediments to using  
5 translators employed by other Federal, State, or  
6 local agencies, on a full, part-time, or shared basis;  
7 and

8           (3) the needs of the FBI for specific translation  
9 services in certain languages, and recommendations  
10 for meeting those needs.

11 **SEC. 206. ROVING SURVEILLANCE AUTHORITY UNDER THE**  
12 **FOREIGN INTELLIGENCE SURVEILLANCE ACT**  
13 **OF 1978.**

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

20 **SEC. 207. DURATION OF FISA SURVEILLANCE OF NON-**  
21 **UNITED STATES PERSONS WHO ARE AGENTS**  
22 **OF A FOREIGN POWER.**

23           (a) DURATION .—

1           (1) SURVEILLANCE.—Section 105(d)(1) of the  
2 Foreign Intelligence Surveillance Act of 1978 (50  
3 U.S.C. 1805(d)(1)) is amended by—

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

6           (B) inserting before the period the fol-  
7 lowing: “, and (B) an order under this Act for  
8 a surveillance targeted against an agent of a  
9 foreign power, as defined in section 101(b)(A)  
10 may be for the period specified in the applica-  
11 tion or for 120 days, whichever is less”.

12          (2) PHYSICAL SEARCH.—Section 304(d)(1) of the  
13 Foreign Intelligence Surveillance Act of 1978 (50 U.S.C.  
14 1824(d)(1)) is amended by—

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

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

17           (C) inserting before the period the following: “,  
18 and (B) an order under this section for a physical  
19 search targeted against an agent of a foreign power  
20 as defined in section 101(b)(A) may be for the pe-  
21 riod specified in the application or for 120 days,  
22 whichever is less”.

23          (b) EXTENSION.—

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

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

5 and

6 (B) inserting before the period the fol-  
7 lowing: “, and (B) an extension of an order  
8 under this Act for a surveillance targeted  
9 against an agent of a foreign power as defined  
10 in section 101(b)(1)(A) may be for a period not  
11 to exceed 1 year”.

12 (2) DEFINED TERM.—Section 304(d)(2) of the  
13 Foreign Intelligence Surveillance Act of 1978 (50  
14 U.S.C. 1824(d)(2)) is amended by inserting after  
15 “not a United States person,” the following: “or  
16 against an agent of a foreign power as defined in  
17 section 101(b)(1)(A)”.

18 **SEC. 208. DESIGNATION OF JUDGES.**

19 Section 103(a) of the Foreign Intelligence Surveil-  
20 lance Act of 1978 (50 U.S.C. 1803(a)) is amended by—

21 (1) striking “seven district court judges” and  
22 inserting “11 district court judges”; and

23 (2) inserting “of whom no less than 3 shall re-  
24 side within 20 miles of the District of Columbia”  
25 after “circuits”.

1 **SEC. 209. SEIZURE OF VOICE-MAIL MESSAGES PURSUANT**  
2 **TO WARRANTS.**

3 Title 18, United States Code, is amended—

4 (1) in section 2510—

5 (A) in paragraph (1), by striking beginning  
6 with “and such” and all that follows through  
7 “communication”; and

8 (B) in paragraph (14), by inserting “wire  
9 or” after “transmission of”; and

10 (2) in subsections (a) and (b) of section 2703—

11 (A) by striking “CONTENTS OF ELEC-  
12 TRONIC” and inserting “CONTENTS OF WIRE OR  
13 ELECTRONIC” each place it appears;

14 (B) by striking “contents of an electronic”  
15 and inserting “contents of a wire or electronic”  
16 each place it appears; and

17 (C) by striking “any electronic” and in-  
18 serting “any wire or electronic” each place it  
19 appears.

20 **SEC. 210. SCOPE OF SUBPOENAS FOR RECORDS OF ELEC-**  
21 **TRONIC COMMUNICATIONS.**

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

24 (1) by striking “entity the name, address, local  
25 and long distance telephone toll billing records, tele-  
26 phone number or other subscriber number or iden-

1       tity, and length of service of the subscriber” and in-  
 2       serting the following: “entity the—

3               “(A) name;

4               “(B) address;

5               “(C) local and long distance telephone connec-  
 6       tion records, or records of session times and dura-  
 7       tions;

8               “(D) length of service (including start date)  
 9       and types of service utilized;

10              “(E) telephone or instrument number or other  
 11       subscriber number or identity, including any tempo-  
 12       rarily assigned network address; and

13              “(F) means and source of payment (including  
 14       any credit card or bank account number),

15       of a subscriber”; and

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

18       **SEC. 211. CLARIFICATION OF SCOPE.**

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

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

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

23                      (B) in subparagraph (C), by striking the  
 24       period at the end and inserting”; or”; and

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



1 not knowingly divulge a record or other information  
2 pertaining to a subscriber to or customer of such  
3 service (not including the contents of communica-  
4 tions covered by paragraph (1) or (2)) to any gov-  
5 ernmental entity.”;

6 (C) in subsection (b), by striking “EXCEP-  
7 TIONS.—A person or entity” and inserting “EX-  
8 CEPTIONS FOR DISCLOSURE OF COMMUNICA-  
9 TIONS.— A provider described in subsection  
10 (a)”;

11 (D) in subsection (b)(6)—

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

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

16 (iii) by adding after subparagraph (B)  
17 the following:

18 “(C) if the provider reasonably believes  
19 that an emergency involving immediate danger  
20 of death or serious physical injury to any per-  
21 son requires disclosure of the information with-  
22 out delay.”; and

23 (E) by inserting after subsection (b) the  
24 following:

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

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

8               “(2) with the lawful consent of the customer or  
 9 subscriber;

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

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

17              “(5) to any person other than a governmental  
 18 entity.”.

19              (2) TECHNICAL AND CONFORMING AMEND-  
 20 MENT.—The table of sections for chapter 121 of  
 21 title 18, United States Code, is amended by striking  
 22 the item relating to section 2702 and inserting the  
 23 following:

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

24              (b) REQUIREMENTS FOR GOVERNMENT ACCESS.—

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

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

5           **“§ 2703. Required disclosure of customer communica-**  
6                   **tions or records”;**

7                   (B) in subsection (c) by redesignating  
8                   paragraph (2) as paragraph (3);

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

10                         (i) by striking “(A) Except as pro-  
11                         vided in subparagraph (B), a provider of  
12                         electronic communication service or remote  
13                         computing service may” and inserting “A  
14                         governmental entity may require a provider  
15                         of electronic communication service or re-  
16                         mote computing service to”;

17                         (ii) by striking “covered by subsection  
18                         (a) or (b) of this section) to any person  
19                         other than a governmental entity.

20                         “(B) A provider of electronic communica-  
21                         tion service or remote computing service shall  
22                         disclose a record or other information per-  
23                         taining to a subscriber to or customer of such  
24                         service (not including the contents of commu-  
25                         nications covered by subsection (a) or (b) of

1           this section) to a governmental entity” and in-  
2           serting “);

3                   (iii) by redesignating subparagraph  
4           (C) as paragraph (2);

5                   (iv) by redesignating clauses (i), (ii),  
6           (iii), and (iv) as subparagraphs (A), (B),  
7           (C), and (D), respectively;

8                   (v) in subparagraph (D) (as redesign-  
9           ated) by striking the period and inserting  
10          “; or”; and

11                   (vi) by inserting after subparagraph  
12          (D) (as redesignated) the following:

13                   “(E) seeks information under paragraph  
14          (2).”; and

15                   (D) in paragraph (2) (as redesignated) by  
16          striking “subparagraph (B)” and insert “para-  
17          graph (1)”.

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

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

1 **SEC. 213. AUTHORITY FOR DELAYING NOTICE OF THE EXECU-**  
2 **CUTION OF A WARRANT.**

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

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

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

8 “(b) DELAY.—With respect to the issuance of any  
9 warrant or court order under this section, or any other  
10 rule of law, to search for and seize any property or mate-  
11 rial that constitutes evidence of a criminal offense in viola-  
12 tion of the laws of the United States, any notice required,  
13 or that may be required, to be given may be delayed if—

14 “(1) the court finds reasonable cause to believe  
15 that providing immediate notification of the execu-  
16 tion of the warrant may have an adverse result (as  
17 defined in section 2705);

18 “(2) the warrant prohibits the seizure of any  
19 tangible property, any wire or electronic communica-  
20 tion (as defined in section 2510), or, except as ex-  
21 pressly provided in chapter 121, any stored wire or  
22 electronic information, except where the court finds  
23 reasonable necessity for the seizure; and

24 “(3) the warrant provides for the giving of such  
25 notice within a reasonable period of its execution,

1       which period may thereafter be extended by the  
2       court for good cause shown.”.

3 **SEC. 214. PEN REGISTER AND TRAP AND TRACE AUTHOR-**  
4 **ITY UNDER FISA.**

5       (a) APPLICATIONS AND ORDERS.—Section 402 of the  
6 Foreign Intelligence Surveillance Act of 1978 (50 U.S.C.  
7 1842) is amended—

8           (1) in subsection (a)(1), by striking “for any in-  
9       vestigation to gather foreign intelligence information  
10      or information concerning international terrorism”  
11      and inserting “for any investigation to protect  
12      against international terrorism or clandestine intel-  
13      ligence activities, provided that such investigation of  
14      a United States person is not conducted solely upon  
15      the basis of activities protected by the first amend-  
16      ment to the Constitution”;

17           (2) by amending subsection (c)(2) to read as  
18      follows:

19           “(2) a certification by the applicant that the in-  
20      formation likely to be obtained is relevant to an on-  
21      going investigation to protect against international  
22      terrorism or clandestine intelligence activities, pro-  
23      vided that such investigation of a United States per-  
24      son is not conducted solely upon the basis of activi-

1 ties protected by the first amendment to the Con-  
2 stitution.”;

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

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

6 “(A) shall specify—

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

9 “(ii) the identity, if known, of the per-  
10 son to whom is leased or in whose name is  
11 listed the telephone line or other facility to  
12 which the pen register or trap and trace  
13 device is to be attached or applied;

14 “(iii) the attributes of the communica-  
15 tions to which the order applies, such as  
16 the number or other identifier, and, if  
17 known, the location of the telephone line or  
18 other facility to which the pen register or  
19 trap and trace device is to be attached or  
20 applied and, in the case of a trap and trace  
21 device, the geographic limits of the trap  
22 and trace order.”.

23 (b) AUTHORIZATION DURING EMERGENCIES.—Sec-  
24 tion 403 of the Foreign Intelligence Surveillance Act of  
25 1978 (50 U.S.C. 1843) is amended—

1           (1) in subsection (a), by striking “foreign intel-  
2           ligence information or information concerning inter-  
3           national terrorism” and inserting “information to  
4           protect against international terrorism or clandestine  
5           intelligence activities, provided that such investiga-  
6           tion of a United States person is not conducted sole-  
7           ly upon the basis of activities protected by the first  
8           amendment to the Constitution”; and

9           (2) in subsection (b)(1), by striking “foreign in-  
10          telligence information or information concerning  
11          international terrorism” and inserting “information  
12          to protect against international terrorism or clandes-  
13          tine intelligence activities, provided that such inves-  
14          tigation of a United States person is not conducted  
15          solely upon the basis of activities protected by the  
16          first amendment to the Constitution”.

17 **SEC. 215. ACCESS TO RECORDS AND OTHER ITEMS UNDER**

18                           **THE FOREIGN INTELLIGENCE SURVEIL-**

19                           **LANCE ACT.**

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

1 **“SEC. 501. ACCESS TO CERTAIN BUSINESS RECORDS FOR**  
2 **FOREIGN INTELLIGENCE AND INTER-**  
3 **NATIONAL TERRORISM INVESTIGATIONS.**

4 “(a)(1) The Director of the Federal Bureau of Inves-  
5 tigation or a designee of the Director (whose rank shall  
6 be no lower than Assistant Special Agent in Charge) may  
7 make an application for an order requiring the production  
8 of any tangible things (including books, records, papers,  
9 documents, and other items) for an investigation to pro-  
10 tect against international terrorism or clandestine intel-  
11 ligence activities, provided that such investigation of a  
12 United States person is not conducted solely upon the  
13 basis of activities protected by the first amendment to the  
14 Constitution.

15 “(2) An investigation conducted under this section  
16 shall—

17 “(A) be conducted under guidelines approved by  
18 the Attorney General under Executive Order 12333  
19 (or a successor order); and

20 “(B) not be conducted of a United States per-  
21 son solely upon the basis of activities protected by  
22 the first amendment to the Constitution of the  
23 United States.

24 “(b) Each application under this section—

25 “(1) shall be made to—

1           “(A) a judge of the court established by  
2 section 103(a); or

3           “(B) a United States Magistrate Judge  
4 under chapter 43 of title 28, United States  
5 Code, who is publicly designated by the Chief  
6 Justice of the United States to have the power  
7 to hear applications and grant orders for the  
8 production of tangible things under this section  
9 on behalf of a judge of that court; and

10          “(2) shall specify that the records concerned  
11 are sought for an authorized investigation conducted  
12 in accordance with subsection (a)(2) to protect  
13 against international terrorism or clandestine intel-  
14 ligence activities.

15          “(c)(1) Upon an application made pursuant to this  
16 section, the judge shall enter an ex parte order as re-  
17 quested, or as modified, approving the release of records  
18 if the judge finds that the application meets the require-  
19 ments of this section.

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

23          “(d) No person shall disclose to any other person  
24 (other than those persons necessary to produce the tan-  
25 gible things under this section) that the Federal Bureau

1 of Investigation has sought or obtained tangible things  
2 under this section.

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

8 **“SEC. 502. CONGRESSIONAL OVERSIGHT.**

9 “(a) On a semiannual basis, the Attorney General  
10 shall fully inform the Permanent Select Committee on In-  
11 telligence of the House of Representatives and the Select  
12 Committee on Intelligence of the Senate concerning all re-  
13 quests for the production of tangible things under section  
14 402.

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

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

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

1 **SEC. 216. MODIFICATION OF AUTHORITIES RELATING TO**  
2 **USE OF PEN REGISTERS AND TRAP AND**  
3 **TRACE DEVICES.**

4 (a) GENERAL LIMITATIONS.—Section 3121(c) of title  
5 18, United States Code, is amended—

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

8 (2) by inserting “, routing, addressing,” after  
9 “dialing”; and

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

14 (b) ISSUANCE OF ORDERS.—

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

18 “(1) ATTORNEY FOR THE GOVERNMENT.—  
19 Upon an application made under section 3122(a)(1),  
20 the court shall enter an ex parte order authorizing  
21 the installation and use of a pen register or trap and  
22 trace device anywhere within the United States, if  
23 the court finds that the attorney for the Government  
24 has certified to the court that the information likely  
25 to be obtained by such installation and use is rel-  
26 evant to an ongoing criminal investigation. The

1 order, upon service of that order, shall apply to any  
2 person or entity providing wire or electronic commu-  
3 nication service in the United States whose assist-  
4 ance may facilitate the execution of the order.  
5 Whenever such an order is served on any person or  
6 entity not specifically named in the order, upon re-  
7 quest of such person or entity, the attorney for the  
8 Government or law enforcement or investigative offi-  
9 cer that is serving the order shall provide written or  
10 electronic certification that the order applies to the  
11 person or entity being served.

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

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 **SEC. 217. INTERCEPTION OF COMPUTER TRESPASSER COM-**  
 21 **MUNICATIONS.**

22 Chapter 119 of title 18, United States Code, is  
 23 amended—

24 (1) in section 2510—

1 (A) in paragraph (17), by striking “and”  
2 at the end;

3 (B) in paragraph (18), by striking the pe-  
4 riod and inserting a semicolon; and

5 (C) by inserting after paragraph (18) the  
6 following:

7 “(19) ‘protected computer’ has the meaning set  
8 forth in section 1030; and

9 “(20) ‘computer trespasser’—

10 “(A) means a person who accesses a pro-  
11 tected computer without authorization and thus  
12 has no reasonable expectation of privacy in any  
13 communication transmitted to, through, or from  
14 the protected computer; and

15 “(B) does not include a person known by  
16 the owner or operator of the protected computer  
17 to have an existing contractual relationship with  
18 the owner or operator of the protected computer  
19 for access to all or part of the protected com-  
20 puter.”; and

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

23 “(i) It shall not be unlawful under this chapter for  
24 a person acting under color of law to intercept the wire

1 or electronic communications of a computer trespasser,  
2 if—

3 “(i) the owner or operator of the protected com-  
4 puter authorizes the interception of the computer  
5 trespasser’s communications on the protected com-  
6 puter;

7 “(ii) the person acting under color of law is  
8 lawfully engaged in an investigation;

9 “(iii) the person acting under color of law has  
10 reasonable grounds to believe that the contents of  
11 the computer trespasser’s communications will be  
12 relevant to the investigation; and

13 “(iv) such interception does not acquire commu-  
14 nications other than those transmitted to or from  
15 the computer trespasser.”.

16 **SEC. 218. FOREIGN INTELLIGENCE INFORMATION.**

17 Sections 104(a)(7)(B) and section 303(a)(7)(B) (50  
18 U.S.C. 1804(a)(7)(B) and 1823(a)(7)(B)) of the Foreign  
19 Intelligence Surveillance Act of 1978 are each amended  
20 by striking “the purpose” and inserting “a significant pur-  
21 pose”.

22 **SEC. 219. SINGLE-JURISDICTION SEARCH WARRANTS FOR**  
23 **TERRORISM.**

24 Rule 41(a) of the Federal Rules of Criminal Proce-  
25 dure is amended by inserting after “executed” the fol-

1 lowing: “and (3) in an investigation of domestic terrorism  
2 or international terrorism (as defined in section 2331 of  
3 title 18, United States Code), by a Federal magistrate  
4 judge in any district in which activities related to the ter-  
5 rorism may have occurred, for a search of property or for  
6 a person within or outside the district”.

7 **SEC. 220. NATIONWIDE SERVICE OF SEARCH WARRANTS**  
8 **FOR ELECTRONIC EVIDENCE.**

9 Chapter 121 of title 18, United States Code, is  
10 amended—

11 (1) in section 2703, by striking “under the  
12 Federal Rules of Criminal Procedure” every place it  
13 appears and inserting “using the procedures de-  
14 scribed in the Federal Rules of Criminal Procedure  
15 by a court with jurisdiction over the offense under  
16 investigation”; and

17 (2) in section 2711—

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

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

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

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

1 **SEC. 221. TRADE SANCTIONS.**

2 (a) IN GENERAL.—The Trade Sanctions Reform and  
3 Export Enhancement Act of 2000 (Public Law 106–387;  
4 114 Stat. 1549A–67) is amended—

5 (1) by amending section 904(2)(C) to read as  
6 follows:

7 “(C) used to facilitate the design, develop-  
8 ment, or production of chemical or biological  
9 weapons, missiles, or weapons of mass destruc-  
10 tion.”;

11 (2) in section 906(a)(1)—

12 (A) by inserting “, the Taliban or the ter-  
13 ritory of Afghanistan controlled by the  
14 Taliban,” after “Cuba”; and

15 (B) by inserting “, or in the territory of  
16 Afghanistan controlled by the Taliban,” after  
17 “within such country”; and

18 (3) in section 906(a)(2), by inserting “, or to  
19 any other entity in Syria or North Korea” after  
20 “Korea”.

21 (b) APPLICATION OF THE TRADE SANCTIONS RE-  
22 FORM AND EXPORT ENHANCEMENT ACT.—Nothing in the  
23 Trade Sanctions Reform and Export Enhancement Act of  
24 2000 shall limit the application or scope of any law estab-  
25 lishing criminal or civil penalties, including any executive  
26 order or regulation promulgated pursuant to such laws (or

1 similar or successor laws), for the unlawful export of any  
2 agricultural commodity, medicine, or medical device to—

3 (1) a foreign organization, group, or person  
4 designated pursuant to Executive Order 12947 of  
5 June 25, 1995;

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

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

12 (4) any narcotics trafficking entity designated  
13 pursuant to Executive Order 12978 (October 21,  
14 1995) or the Foreign Narcotics Kingpin Designation  
15 Act (Public Law 106–120); or

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

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

20 Nothing in this Act shall impose any additional tech-  
21 nical obligation or requirement on a provider of wire or  
22 electronic communication service or other person to fur-  
23 nish facilities or technical assistance. A provider of a wire  
24 or electronic communication service, landlord, custodian,  
25 or other person who furnishes facilities or technical assist-

1 ance pursuant to section 216 shall be reasonably com-  
2 pensated for such reasonable expenditures incurred in pro-  
3 viding such facilities or assistance.

4 **TITLE III—INTERNATIONAL**  
5 **MONEY LAUNDERING ABATE-**  
6 **MENT AND ANTI-TERRORIST**  
7 **FINANCING ACT OF 2001.**

8 **SEC. 301. SHORT TITLE.**

9 This title may be cited as the “International Money  
10 Laundering Abatement and Anti-Terrorist Financing Act  
11 of 2001”.

12 **SEC. 302. FINDINGS AND PURPOSES.**

13 (a) FINDINGS.—The Congress finds that—

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

22 (2) money laundering, and the defects in finan-  
23 cial transparency on which money launderers rely,  
24 are critical to the financing of global terrorism and  
25 the provision of funds for terrorist attacks;

1           (3) money launderers subvert legitimate finan-  
2           cial mechanisms and banking relationships by using  
3           them as protective covering for the movement of  
4           criminal proceeds and the financing of crime and  
5           terrorism, and, by so doing, can threaten the safety  
6           of United States citizens and undermine the integ-  
7           rity of United States financial institutions and of the  
8           global financial and trading systems upon which  
9           prosperity and growth depend;

10          (4) certain jurisdictions outside of the United  
11          States that offer “offshore” banking and related fa-  
12          cilities designed to provide anonymity, coupled with  
13          special tax advantages and weak financial super-  
14          visory and enforcement regimes, provide essential  
15          tools to disguise ownership and movement of crimi-  
16          nal funds, derived from, or used to commit, offenses  
17          ranging from narcotics trafficking, terrorism, arms  
18          smuggling, and trafficking in human beings, to fi-  
19          nancial frauds that prey on law-abiding citizens;

20          (5) transactions involving such offshore juris-  
21          dictions make it difficult for law enforcement offi-  
22          cials and regulators to follow the trail of money  
23          earned by criminals, organized international criminal  
24          enterprises, and global terrorist organizations;

1           (6) correspondent banking facilities are one of  
2 the banking mechanisms susceptible in some cir-  
3 cumstances to manipulation by foreign banks to per-  
4 mit the laundering of funds by hiding the identity of  
5 real parties in interest to financial transactions;

6           (7) private banking services can be susceptible  
7 to manipulation by money launderers, for example  
8 corrupt foreign government officials, particularly if  
9 those services include the creation of offshore ac-  
10 counts and facilities for large personal funds trans-  
11 fers to channel funds into accounts around the  
12 globe;

13           (8) United States anti-money laundering efforts  
14 are impeded by outmoded and inadequate statutory  
15 provisions that make investigations, prosecutions,  
16 and forfeitures more difficult, particularly in cases  
17 in which money laundering involves foreign persons,  
18 foreign banks, or foreign countries;

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

23           (10) the Basle Committee on Banking Regula-  
24 tion and Supervisory Practices and the Financial  
25 Action Task Force on Money Laundering, of both of

1       which the United States is a member, have each  
2       adopted international anti-money laundering prin-  
3       ciples and recommendations.

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

5           (1) to increase the strength of United States  
6       measures to prevent, detect, and prosecute inter-  
7       national money laundering and the financing of ter-  
8       rorism;

9           (2) to ensure that—

10           (A) banking transactions and financial re-  
11       lationships and the conduct of such transactions  
12       and relationships, do not contravene the pur-  
13       poses of subchapter II of chapter 53 of title 31,  
14       United States Code, section 21 of the Federal  
15       Deposit Insurance Act, or chapter 2 of title I  
16       of Public Law 91–508 (84 Stat. 1116), or fa-  
17       cilitate the evasion of any such provision; and

18           (B) the purposes of such provisions of law  
19       continue to be fulfilled, and that such provisions  
20       of law are effectively and efficiently adminis-  
21       tered;

22           (3) to strengthen the provisions put into place  
23       by the Money Laundering Control Act of 1986 (18  
24       U.S.C. 981 note), especially with respect to crimes

1 by non-United States nationals and foreign financial  
2 institutions;

3 (4) to provide a clear national mandate for sub-  
4 jecting to special scrutiny those foreign jurisdictions,  
5 financial institutions operating outside of the United  
6 States, and classes of international transactions that  
7 pose particular, identifiable opportunities for crimi-  
8 nal abuse;

9 (5) to provide the Secretary of the Treasury (in  
10 this title referred to as the “Secretary”) with broad  
11 discretion, subject to the safeguards provided by the  
12 Administrative Procedures Act under title 5, United  
13 States Code, to take measures tailored to the par-  
14 ticular money laundering problems presented by spe-  
15 cific foreign jurisdictions, financial institutions oper-  
16 ating outside of the United States, and classes of  
17 international transactions;

18 (6) to ensure that the employment of such  
19 measures by the Secretary permits appropriate op-  
20 portunity for comment by affected financial institu-  
21 tions;

22 (7) to provide guidance to domestic financial in-  
23 stitutions on particular foreign jurisdictions, finan-  
24 cial institutions operating outside of the United  
25 States, and classes of international transactions that

1 are of primary money laundering concern to the  
2 United States Government;

3 (8) to ensure that the forfeiture of any assets  
4 in connection with the anti-terrorist efforts of the  
5 United States permits for adequate challenge con-  
6 sistent with providing due process rights;

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

9 (10) to strengthen the authority of the Sec-  
10 retary to issue and administer geographic targeting  
11 orders, and to clarify that violations of such orders  
12 or any other requirement imposed under the author-  
13 ity contained in chapter 2 of title I of Public Law  
14 91-508 and subchapters II and III of chapter 53 of  
15 title 31, United States Code, may result in criminal  
16 and civil penalties;

17 (11) to ensure that all appropriate elements of  
18 the financial services industry are subject to appro-  
19 priate requirements to report potential money laun-  
20 dering transactions to proper authorities, and that  
21 jurisdictional disputes do not hinder examination of  
22 compliance by financial institutions with relevant re-  
23 porting requirements;

1           (12) to fix responsibility for high level coordina-  
2           tion of the anti-money laundering efforts of the De-  
3           partment of the Treasury;

4           (13) to strengthen the ability of financial insti-  
5           tutions to maintain the integrity of their employee  
6           population; and

7           (14) to strengthen measures to prevent the use  
8           of the United States financial system for personal  
9           gain by corrupt foreign officials and to facilitate the  
10          repatriation of any stolen assets to the citizens of  
11          countries to whom such assets belong.

12 **SEC. 303. 4-YEAR CONGRESSIONAL REVIEW-EXPEDITED**  
13 **CONSIDERATION.**

14          (a) **IN GENERAL.**—Effective on and after the first  
15          day of fiscal year 2005, the provisions of this title and  
16          the amendments made by this title shall terminate if the  
17          Congress enacts a joint resolution, the text after the re-  
18          solving clause of which is as follows: “That provisions of  
19          the International Money Laundering Abatement and Anti-  
20          Terrorist Financing Act of 2001, and the amendments  
21          made thereby, shall no longer have the force of law.”.

22          (b) **EXPEDITED CONSIDERATION.**—Any joint resolu-  
23          tion submitted pursuant to this section shall be considered  
24          in the Senate in accordance with the provisions of section  
25          601(b) of the International Security Assistance and Arms

1 Control Act of 1976. For the purpose of expediting the  
 2 consideration and enactment of a joint resolution under  
 3 this section, a motion to proceed to the consideration of  
 4 any such joint resolution after it has been reported by the  
 5 appropriate committee, shall be treated as highly privi-  
 6 leged in the House of Representatives.

7 **Subtitle A—International Counter**  
 8 **Money Laundering and Related**  
 9 **Measures**

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

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

17 **“SEC. 5318A. SPECIAL MEASURES FOR JURISDICTIONS, FI-**  
 18 **NANCIAL INSTITUTIONS, OR INTERNATIONAL**  
 19 **TRANSACTIONS OF PRIMARY MONEY LAUN-**  
 20 **DERING CONCERN.**

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

23 **“(1) IN GENERAL.—**The Secretary may require  
 24 domestic financial institutions and domestic financial  
 25 agencies to take 1 or more of the special measures

1 described in subsection (b) if the Secretary finds  
2 that reasonable grounds exist for concluding that a  
3 jurisdiction outside of the United States, 1 or more  
4 financial institutions operating outside of the United  
5 States, 1 or more classes of transactions within, or  
6 involving, a jurisdiction outside of the United States,  
7 or 1 or more types of accounts is of primary money  
8 laundering concern, in accordance with subsection  
9 (c).

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

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

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

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

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

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

22           “(B) shall consider—

23           “(i) whether similar action has been  
24 or is being taken by other nations or multi-  
25 lateral groups;

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

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

15           “(5) NO LIMITATION ON OTHER AUTHORITY.—

16          This section shall not be construed as superseding or  
17          otherwise restricting any other authority granted to  
18          the Secretary, or to any other agency, by this sub-  
19          chapter or otherwise.

20           “(b) SPECIAL MEASURES.—The special measures re-  
21          ferred to in subsection (a), with respect to a jurisdiction  
22          outside of the United States, financial institution oper-  
23          ating outside of the United States, class of transaction  
24          within, or involving, a jurisdiction outside of the United  
25          States, or 1 or more types of accounts are as follows:

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

3           “(A) IN GENERAL.—The Secretary may re-  
4 quire any domestic financial institution or do-  
5 mestic financial agency to maintain records, file  
6 reports, or both, concerning the aggregate  
7 amount of transactions, or concerning each  
8 transaction, with respect to a jurisdiction out-  
9 side of the United States, 1 or more financial  
10 institutions operating outside of the United  
11 States, 1 or more classes of transactions within,  
12 or involving, a jurisdiction outside of the United  
13 States, or 1 or more types of accounts if the  
14 Secretary finds any such jurisdiction, institu-  
15 tion, or class of transactions to be of primary  
16 money laundering concern.

17           “(B) FORM OF RECORDS AND REPORTS.—  
18 Such records and reports shall be made and re-  
19 tained at such time, in such manner, and for  
20 such period of time, as the Secretary shall de-  
21 termine, and shall include such information as  
22 the Secretary may determine, including—

23           “(i) the identity and address of the  
24 participants in a transaction or relation-

1 ship, including the identity of the origi-  
2 nator of any funds transfer;

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

5 “(iii) the identity of the beneficial  
6 owner of the funds involved in any trans-  
7 action, in accordance with such procedures  
8 as the Secretary determines to be reason-  
9 able and practicable to obtain and retain  
10 the information; and

11 “(iv) a description of any transaction.

12 “(2) INFORMATION RELATING TO BENEFICIAL  
13 OWNERSHIP.—In addition to any other requirement  
14 under any other provision of law, the Secretary may  
15 require any domestic financial institution or domes-  
16 tic financial agency to take such steps as the Sec-  
17 retary may determine to be reasonable and prac-  
18 ticable to obtain and retain information concerning  
19 the beneficial ownership of any account opened or  
20 maintained in the United States by a foreign person  
21 (other than a foreign entity whose shares are subject  
22 to public reporting requirements or are listed and  
23 traded on a regulated exchange or trading market),  
24 or a representative of such a foreign person, that in-  
25 volves a jurisdiction outside of the United States, 1

1 or more financial institutions operating outside of  
2 the United States, 1 or more classes of transactions  
3 within, or involving, a jurisdiction outside of the  
4 United States, or 1 or more types of accounts if the  
5 Secretary finds any such jurisdiction, institution, or  
6 transaction to be of primary money laundering con-  
7 cern.

8 “(3) INFORMATION RELATING TO CERTAIN PAY-  
9 ABLE-THROUGH ACCOUNTS.—If the Secretary finds  
10 a jurisdiction outside of the United States, 1 or  
11 more financial institutions operating outside of the  
12 United States, or 1 or more classes of transactions  
13 within, or involving, a jurisdiction outside of the  
14 United States to be of primary money laundering  
15 concern, the Secretary may require any domestic fi-  
16 nancial institution or domestic financial agency that  
17 opens or maintains a payable-through account in the  
18 United States for a foreign financial institution in-  
19 volving any such jurisdiction or any such financial  
20 institution operating outside of the United States, or  
21 a payable through account through which any such  
22 transaction may be conducted, as a condition of  
23 opening or maintaining such account—

24 “(A) to identify each customer (and rep-  
25 resentative of such customer) of such financial

1 institution who is permitted to use, or whose  
2 transactions are routed through, such payable-  
3 through account; and

4 “(B) to obtain, with respect to each such  
5 customer (and each such representative), infor-  
6 mation that is substantially comparable to that  
7 which the depository institution obtains in the  
8 ordinary course of business with respect to its  
9 customers residing in the United States.

10 “(4) INFORMATION RELATING TO CERTAIN COR-  
11 RESPONDENT ACCOUNTS.—If the Secretary finds a  
12 jurisdiction outside of the United States, 1 or more  
13 financial institutions operating outside of the United  
14 States, or 1 or more classes of transactions within,  
15 or involving, a jurisdiction outside of the United  
16 States to be of primary money laundering concern,  
17 the Secretary may require any domestic financial in-  
18 stitution or domestic financial agency that opens or  
19 maintains a correspondent account in the United  
20 States for a foreign financial institution involving  
21 any such jurisdiction or any such financial institu-  
22 tion operating outside of the United States, or a cor-  
23 respondent account through which any such trans-  
24 action may be conducted, as a condition of opening  
25 or maintaining such account—

1           “(A) to identify each customer (and rep-  
2           representative of such customer) of any such finan-  
3           cial institution who is permitted to use, or  
4           whose transactions are routed through, such  
5           correspondent account; and

6           “(B) to obtain, with respect to each such  
7           customer (and each such representative), infor-  
8           mation that is substantially comparable to that  
9           which the depository institution obtains in the  
10          ordinary course of business with respect to its  
11          customers residing in the United States.

12          “(5) PROHIBITIONS OR CONDITIONS ON OPEN-  
13          ING OR MAINTAINING CERTAIN CORRESPONDENT OR  
14          PAYABLE-THROUGH ACCOUNTS.—If the Secretary  
15          finds a jurisdiction outside of the United States, 1  
16          or more financial institutions operating outside of  
17          the United States, or 1 or more classes of trans-  
18          actions within, or involving, a jurisdiction outside of  
19          the United States to be of primary money laun-  
20          dering concern, the Secretary, in consultation with  
21          the Secretary of State, the Attorney General, and  
22          the Chairman of the Board of Governors of the Fed-  
23          eral Reserve System, may prohibit, or impose condi-  
24          tions upon, the opening or maintaining in the United  
25          States of a correspondent account or payable-

1 through account by any domestic financial institu-  
2 tion or domestic financial agency for or on behalf of  
3 a foreign banking institution, if such correspondent  
4 account or payable-through account involves any  
5 such jurisdiction or institution, or if any such trans-  
6 action may be conducted through such cor-  
7 respondent account or payable-through account.

8 “(c) CONSULTATIONS AND INFORMATION TO BE  
9 CONSIDERED IN FINDING JURISDICTIONS, INSTITUTIONS,  
10 TYPES OF ACCOUNTS, OR TRANSACTIONS TO BE OF PRI-  
11 MARY MONEY LAUNDERING CONCERN.—

12 “(1) IN GENERAL.—In making a finding that  
13 reasonable grounds exist for concluding that a juris-  
14 diction outside of the United States, 1 or more fi-  
15 nancial institutions operating outside of the United  
16 States, 1 or more classes of transactions within, or  
17 involving, a jurisdiction outside of the United States,  
18 or 1 or more types of accounts is of primary money  
19 laundering concern so as to authorize the Secretary  
20 to take 1 or more of the special measures described  
21 in subsection (b), the Secretary shall consult with  
22 the Secretary of State, and the Attorney General.

23 “(2) ADDITIONAL CONSIDERATIONS.—In mak-  
24 ing a finding described in paragraph (1), the Sec-  
25 retary shall consider in addition such information as

1 the Secretary determines to be relevant, including  
2 the following potentially relevant factors:

3 “(A) JURISDICTIONAL FACTORS.—In the  
4 case of a particular jurisdiction—

5 “(i) evidence that organized criminal  
6 groups, international terrorists, or both,  
7 have transacted business in that jurisdic-  
8 tion;

9 (ii) the extent to which that jurisdic-  
10 tion or financial institutions operating in  
11 that jurisdiction offer bank secrecy or spe-  
12 cial tax or regulatory advantages to non-  
13 residents or nondomiciliaries of that jurisdic-  
14 tion;

15 “(iii) the substance and quality of ad-  
16 ministration of the bank supervisory and  
17 counter-money laundering laws of that ju-  
18 risdiction;

19 “(iv) the relationship between the vol-  
20 ume of financial transactions occurring in  
21 that jurisdiction and the size of the econ-  
22 omy of the jurisdiction;

23 “(v) the extent to which that jurisdic-  
24 tion is characterized as a tax haven or off-  
25 shore banking or secrecy haven by credible

1 international organizations or multilateral  
2 expert groups;

3 “(vi) whether the United States has a  
4 mutual legal assistance treaty with that ju-  
5 risdiction, and the experience of United  
6 States law enforcement officials, regulatory  
7 officials, and tax administrators in obtain-  
8 ing information about transactions origi-  
9 nating in or routed through or to such ju-  
10 risdiction; and

11 “(vii) the extent to which that jurisdic-  
12 tion is characterized by high levels of of-  
13 ficial or institutional corruption.

14 “(B) INSTITUTIONAL FACTORS.—In the  
15 case of a decision to apply 1 or more of the spe-  
16 cial measures described in subsection (b) only  
17 to a financial institution or institutions, or to a  
18 transaction or class of transactions, or to a type  
19 of account, or to all 3, within or involving a  
20 particular jurisdiction—

21 “(i) the extent to which such financial  
22 institutions, transactions, or types of ac-  
23 counts are used to facilitate or promote  
24 money laundering in or through the jurisdic-  
25 tion;

1                   “(ii) the extent to which such institu-  
2                   tions, transactions, or types of accounts  
3                   are used for legitimate business purposes  
4                   in the jurisdiction; and

5                   “(iii) the extent to which such action  
6                   is sufficient to ensure, with respect to  
7                   transactions involving the jurisdiction and  
8                   institutions operating in the jurisdiction,  
9                   that the purposes of this subchapter con-  
10                  tinue to be fulfilled, and to guard against  
11                  international money laundering and other  
12                  financial crimes.

13                  “(d) NOTIFICATION OF SPECIAL MEASURES IN-  
14                  VOKED BY THE SECRETARY.—Not later than 10 days  
15                  after the date of any action taken by the Secretary under  
16                  subsection (a)(1), the Secretary shall notify, in writing,  
17                  the Committee on Financial Services of the House of Rep-  
18                  resentatives and the Committee on Banking, Housing, and  
19                  Urban Affairs of the Senate of any such action.

20                  “(e) STUDY AND REPORT ON FOREIGN NATION-  
21                  ALS.—

22                  “(1) STUDY.—The Secretary, in consultation  
23                  with the appropriate Federal agencies, including the  
24                  Federal banking agencies (as defined in section 3 of

1 the Federal Deposit Insurance Act), shall conduct a  
2 study to—

3 “(A) determine the most timely and effec-  
4 tive way to require foreign nationals to provide  
5 domestic financial institutions and agencies  
6 with appropriate and accurate information,  
7 comparable to that which is required of United  
8 States nationals, concerning their identity, ad-  
9 dress, and other related information necessary  
10 to enable such institutions and agencies to com-  
11 ply with the reporting, information gathering,  
12 and other requirements of this section; and

13 “(B) consider the need for requiring for-  
14 eign nationals to apply for and obtain an identi-  
15 fication number, similar to what is required for  
16 United States citizens through a social security  
17 number or tax identification number, prior to  
18 opening an account with a domestic financial  
19 institution.

20 “(2) REPORT.—The Secretary shall report to  
21 Congress not later than 180 days after the date of  
22 enactment of this section with recommendations for  
23 implementing such action referred to in paragraph  
24 (1) in a timely and effective manner.

1       “(f) DEFINITIONS.—Notwithstanding any other pro-  
2 vision of this subchapter, for purposes of this section, the  
3 following definitions shall apply:

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

6                       “(A) ACCOUNT.—The term ‘account’—

7                               “(i) means a formal banking or busi-  
8 ness relationship established to provide  
9 regular services, dealings, and other finan-  
10 cial transactions; and

11                               “(ii) includes a demand deposit, sav-  
12 ings deposit, or other transaction or asset  
13 account and a credit account or other ex-  
14 tension of credit.

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

21                       “(C) PAYABLE-THROUGH ACCOUNT.—The  
22 term ‘payable-through account’ means an ac-  
23 count, including a transaction account (as de-  
24 fined in section 19(b)(1)(C) of the Federal Re-  
25 serve Act), opened at a depository institution by

1 a foreign financial institution by means of  
2 which the foreign financial institution permits  
3 its customers to engage, either directly or  
4 through a subaccount, in banking activities  
5 usual in connection with the business of bank-  
6 ing in the United States.

7 “(2) DEFINITIONS APPLICABLE TO INSTITU-  
8 TIONS OTHER THAN BANKS.—With respect to any fi-  
9 nancial institution other than a bank, the Secretary  
10 shall, after consultation with the Securities and Ex-  
11 change Commission, define by regulation the term  
12 ‘account’, and shall include within the meaning of  
13 that term, to the extent, if any, that the Secretary  
14 deems appropriate, arrangements similar to payable-  
15 through and correspondent accounts.

16 “(3) REGULATORY DEFINITION.—The Sec-  
17 retary shall promulgate regulations defining bene-  
18 ficial ownership of an account for purposes of this  
19 section. Such regulations shall address issues related  
20 to an individual’s authority to fund, direct, or man-  
21 age the account (including, without limitation, the  
22 power to direct payments into or out of the ac-  
23 count), and an individual’s material interest in the  
24 income or corpus of the account, and shall ensure  
25 that the identification of individuals under this sec-

1       tion does not extend to any individual whose bene-  
 2       ficial interest in the income or corpus of the account  
 3       is immaterial.”.

4               “(4) OTHER TERMS.—The Secretary may, by  
 5       regulation, further define the terms in paragraphs  
 6       (1) and (2) and define other terms for the purposes  
 7       of this section, as the Secretary deems appro-  
 8       priate.”.

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

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

13      **SEC. 312. SPECIAL DUE DILIGENCE FOR CORRESPONDENT**  
 14                                   **ACCOUNTS AND PRIVATE BANKING AC-**  
 15                                   **COUNTS.**

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

19               “(i) DUE DILIGENCE FOR UNITED STATES PRIVATE  
 20      BANKING AND CORRESPONDENT BANK ACCOUNTS IN-  
 21      VOLVING FOREIGN PERSONS.—

22                       “(1) IN GENERAL.—Each financial institution  
 23      that establishes, maintains, administers, or manages  
 24      a private banking account or a correspondent ac-

1 count in the United States for a non-United States  
2 person, including a foreign individual visiting the  
3 United States, or a representative of a non-United  
4 States person shall establish appropriate, specific,  
5 and, where necessary, enhanced, due diligence poli-  
6 cies, procedures, and controls to detect and report  
7 instances of money laundering through those ac-  
8 counts.

9 “(2) MINIMUM STANDARDS FOR COR-  
10 RESPONDENT ACCOUNTS.—

11 “(A) IN GENERAL.—Subparagraph (B)  
12 shall apply if a correspondent account is re-  
13 quested or maintained by, or on behalf of, a  
14 foreign bank operating—

15 “(i) under an offshore banking li-  
16 cense; or

17 “(ii) under a banking license issued  
18 by a foreign country that has been  
19 designated—

20 “(I) as noncooperative with inter-  
21 national anti-money laundering prin-  
22 ciples or procedures by an intergov-  
23 ernmental group or organization of  
24 which the United States is a member;  
25 or

1                   “(II) by the Secretary as war-  
2                   ranted special measures due to  
3                   money laundering concerns.

4                   “(B) POLICIES, PROCEDURES, AND CON-  
5                   TROLS.—The enhanced due diligence policies,  
6                   procedures, and controls required under para-  
7                   graph (1) shall, at a minimum, ensure that the  
8                   financial institution in the United States takes  
9                   reasonable steps—

10                   “(i) to ascertain for any such foreign  
11                   bank, the shares of which are not publicly  
12                   traded, the identity of each of the owners  
13                   of the foreign bank, and the nature and  
14                   extent of the ownership interest of each  
15                   such owner;

16                   “(ii) to conduct enhanced scrutiny of  
17                   such account to guard against money laun-  
18                   dering and report any suspicious trans-  
19                   actions under section 5318(g); and

20                   “(iii) to ascertain whether such for-  
21                   eign bank provides correspondent accounts  
22                   to other foreign banks and, if so, the iden-  
23                   tity of those foreign banks and related due  
24                   diligence information, as appropriate under  
25                   paragraph (1).

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

8                   “(A) to ascertain the identity of the nomi-  
9                   nal and beneficial owners of, and the source of  
10                  funds deposited into, such account as needed to  
11                  guard against money laundering and report any  
12                  suspicious transactions under section 5318(g);  
13                  and

14                  “(B) to conduct enhanced scrutiny of any  
15                  such account that is requested or maintained  
16                  by, or on behalf of, a senior foreign political fig-  
17                  ure, or any immediate family member or close  
18                  associate of a senior foreign political figure, to  
19                  prevent, detect, and report transactions that  
20                  may involve the proceeds of foreign corruption.

21           “(4) DEFINITIONS AND REGULATORY AUTHOR-  
22           ITY.—

23                   “(A) OFFSHORE BANKING LICENSE.—For  
24                   purposes of this subsection, the term ‘offshore  
25                   banking license’ means a license to conduct

1 banking activities which, as a condition of the  
2 license, prohibits the licensed entity from con-  
3 ducting banking activities with the citizens of,  
4 or with the local currency of, the country which  
5 issued the license.

6 “(B) REGULATORY AUTHORITY.—The Sec-  
7 retary, in consultation with the appropriate  
8 functional regulators of the affected financial  
9 institutions, may further delineate, by regula-  
10 tion the due diligence policies, procedures, and  
11 controls required under paragraph (1).”.

12 (b) EFFECTIVE DATE.—The amendments made by  
13 this section shall take effect beginning 180 days after the  
14 date of enactment of this Act with respect to accounts cov-  
15 ered by section 5318(i) of title 31, United States Code,  
16 as added by this section, that are opened before, on, or  
17 after the date of enactment of this Act.

18 **SEC. 313. PROHIBITION ON UNITED STATES COR-**  
19 **RESPONDENT ACCOUNTS WITH FOREIGN**  
20 **SHELL BANKS.**

21 (a) IN GENERAL.—Section 5318 of title 31, United  
22 States Code, is amended by inserting after section 5318(i),  
23 as added by section 312 of this title, the following:

1       “(j) PROHIBITION ON UNITED STATES COR-  
2 RESPONDENT ACCOUNTS WITH FOREIGN SHELL  
3 BANKS.—

4           “(1) IN GENERAL.—A financial institution de-  
5 scribed in subparagraphs (A) through (F) of section  
6 5312(a)(2) (in this subsection referred to as a ‘cov-  
7 ered financial institution’) shall not establish, main-  
8 tain, administer, or manage a correspondent account  
9 in the United States for, or on behalf of, a foreign  
10 bank that does not have a physical presence in any  
11 country.

12           “(2) PREVENTION OF INDIRECT SERVICE TO  
13 FOREIGN SHELL BANKS.—A covered financial insti-  
14 tution shall take reasonable steps to ensure that any  
15 correspondent account established, maintained, ad-  
16 ministered, or managed by that covered financial in-  
17 stitution in the United States for a foreign bank is  
18 not being used by that foreign bank to indirectly  
19 provide banking services to another foreign bank  
20 that does not have a physical presence in any coun-  
21 try. The Secretary shall, by regulation, delineate the  
22 reasonable steps necessary to comply with this para-  
23 graph.

24           “(3) EXCEPTION.—Paragraphs (1) and (2) do  
25 not prohibit a covered financial institution from pro-

1       viding a correspondent account to a foreign bank, if  
2       the foreign bank—

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

7               “(B) is subject to supervision by a banking  
8               authority in the country regulating the affili-  
9               ated depository institution, credit union, or for-  
10              eign bank described in subparagraph (A), as  
11              applicable.

12       “(4) DEFINITIONS.—For purposes of this  
13       subsection—

14              “(A) the term ‘affiliate’ means a foreign  
15              bank that is controlled by or is under common  
16              control with a depository institution, credit  
17              union, or foreign bank; and

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

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

21                      “(ii) is located at a fixed address  
22                      (other than solely an electronic address) in  
23                      a country in which the foreign bank is au-  
24                      thorized to conduct banking activities, at  
25                      which location the foreign bank—

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

3                   “(II) maintains operating records  
4                   related to its banking activities; and

5                   “(iii) is subject to inspection by the  
6                   banking authority which licensed the for-  
7                   eign bank to conduct banking activities.”.

8 **SEC. 314. COOPERATIVE EFFORTS TO DETER MONEY LAUN-**  
9                   **DERING.**

10           (a) COOPERATION AMONG FINANCIAL INSTITUTIONS,  
11 REGULATORY AUTHORITIES, AND LAW ENFORCEMENT  
12 AUTHORITIES.—

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

1           (2) CONTENTS.—The regulations promulgated  
2 pursuant to paragraph (1) may—

3           (A) require that each financial institution  
4 designate 1 or more persons to receive informa-  
5 tion concerning, and to monitor accounts of in-  
6 dividuals, entities, and organizations identified,  
7 pursuant to paragraph (1); and

8           (B) further establish procedures for the  
9 protection of the shared information, consistent  
10 with the capacity, size, and nature of the insti-  
11 tution to which the particular procedures apply.

12          (3) RULE OF CONSTRUCTION.—The receipt of  
13 information by a financial institution pursuant to  
14 this section shall not relieve or otherwise modify the  
15 obligations of the financial institution with respect  
16 to any other person or account.

17          (4) USE OF INFORMATION.—Information re-  
18 ceived by a financial institution pursuant to this sec-  
19 tion shall not be used for any purpose other than  
20 identifying and reporting on activities that may in-  
21 volve terrorist acts or money laundering activities.

22          (b) COOPERATION AMONG FINANCIAL INSTITU-  
23 TIONS.—Upon notice provided to the Secretary, 2 or more  
24 financial institutions and any association of financial insti-  
25 tutions may share information with one another regarding

1 individuals, entities, organizations, and countries sus-  
2 pected of possible terrorist or money laundering activities.  
3 A financial institution or association that transmits, re-  
4 ceives, or shares such information for the purposes of  
5 identifying and reporting activities that may involve ter-  
6 rorist acts or money laundering activities shall not be lia-  
7 ble to any person under any law or regulation of the  
8 United States, any constitution, law, or regulation of any  
9 State or political subdivision thereof, or under any con-  
10 tract or other legally enforceable agreement (including any  
11 arbitration agreement), for such disclosure or for any fail-  
12 ure to provide notice of such disclosure to the person who  
13 is the subject of such disclosure, or any other person iden-  
14 tified in the disclosure, except where such transmission,  
15 receipt, or sharing violates this section or regulations pro-  
16 mulgated pursuant to this section.

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

1 **SEC. 315. INCLUSION OF FOREIGN CORRUPTION OFFENSES**  
2 **AS MONEY LAUNDERING CRIMES.**

3 Section 1956(c)(7)(B) of title 18, United States  
4 Code, is amended—

5 (1) in clause (ii), by striking “or destruction of  
6 property by means of explosive or fire” and inserting  
7 “destruction of property by means of explosive or  
8 fire, or a crime of violence (as defined in section  
9 16)”;

10 (2) in clause (iii), by striking “1978” and in-  
11 sserting “1978”;

12 (3) by adding at the end the following:

13 “(iv) bribery of a public official, or  
14 the misappropriation, theft, or embezzle-  
15 ment of public funds by or for the benefit  
16 of a public official;

17 “(v) smuggling or export control viola-  
18 tions involving—

19 “(I) an item controlled on the  
20 United States Munitions List estab-  
21 lished under section 38 of the Arms  
22 Export Control Act (22 U.S.C. 2778);  
23 or

24 “(II) an item controlled under  
25 regulations under the Export Admin-

1                   istration Act of 1977 (15 C.F.R.  
2                   Parts 730–774);

3                   “(vi) an offense with respect to which  
4                   the United States would be obligated by a  
5                   multilateral treaty, either to extradite the  
6                   alleged offender or to submit the case for  
7                   prosecution, if the offender were found  
8                   within the territory of the United States;  
9                   or

10                   “(vii) the misuse of funds of, or pro-  
11                   vided by, the International Monetary Fund  
12                   in contravention of the Articles of Agree-  
13                   ment of the Fund or the misuse of funds  
14                   of, or provided by, any other international  
15                   financial institution (as defined in section  
16                   1701(c)(2) of the International Financial  
17                   Institutions Act (22 U.S.C. 262r(c)(2)) in  
18                   contravention of any treaty or other inter-  
19                   national agreement to which the United  
20                   States is a party, including any articles of  
21                   agreement of the members of the inter-  
22                   national financial institution;”.

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

24                   (a) **RIGHT TO CONTEST.**—An owner of property that  
25 is confiscated under any provision of law relating to the

1 confiscation of assets of suspected international terrorists,  
2 may contest that confiscation by filing a claim in the man-  
3 ner set forth in the Federal Rules of Civil Procedure (Sup-  
4 plemental Rules for Certain Admiralty and Maritime  
5 Claims), and asserting as an affirmative defense that—

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

8           (2) the innocent owner provisions of section  
9           983(d) of title 18, United States Code, apply to the  
10          case.

11          (b) EVIDENCE.—In considering a claim filed under  
12 this section, the Government may rely on evidence that  
13 is otherwise inadmissible under the Federal Rules of Evi-  
14 dence, if a court determines that such reliance is necessary  
15 to protect the national security interests of the United  
16 States.

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

21 **SEC. 317. LONG-ARM JURISDICTION OVER FOREIGN MONEY**  
22 **LAUNDERERS.**

23          Section 1956(b) of title 18, United States Code, is  
24 amended—

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

4           (2) by inserting after “(b)” the following:  
5           “PENALTIES.—

6           “(1) IN GENERAL.—”;

7           (3) by inserting “, or section 1957” after “or  
8           (a)(3)”; and

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

10          “(2) JURISDICTION OVER FOREIGN PERSONS.—

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

20                 “(A) the foreign person commits an offense  
21                 under subsection (a) involving a financial trans-  
22                 action that occurs in whole or in part in the  
23                 United States;

24                 “(B) the foreign person converts, to his or  
25                 her own use, property in which the United

1 States has an ownership interest by virtue of  
2 the entry of an order of forfeiture by a court  
3 of the United States; or

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

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

13 “(4) FEDERAL RECEIVER.—

14 “(A) IN GENERAL.—A court described in  
15 paragraph (2) may appoint a Federal Receiver,  
16 in accordance with subparagraph (B) of this  
17 paragraph, to collect, marshal, and take cus-  
18 tody, control, and possession of all assets of the  
19 defendant, wherever located, to satisfy a judg-  
20 ment under this section or section 981, 982, or  
21 1957, including an order of restitution to any  
22 victim of a specified unlawful activity.

23 “(B) APPOINTMENT AND AUTHORITY.—A  
24 Federal Receiver described in subparagraph  
25 (A)—

1           “(i) may be appointed upon applica-  
2           tion of a Federal prosecutor or a Federal  
3           or State regulator, by the court having ju-  
4           risdiction over the defendant in the case;

5           “(ii) shall be an officer of the court,  
6           and the powers of the Federal Receiver  
7           shall include the powers set out in section  
8           754 of title 28, United States Code; and

9           “(iii) shall have standing equivalent to  
10          that of a Federal prosecutor for the pur-  
11          pose of submitting requests to obtain infor-  
12          mation regarding the assets of the  
13          defendant—

14                 “(I) from the Financial Crimes  
15                 Enforcement Network of the Depart-  
16                 ment of the Treasury; or

17                 “(II) from a foreign country pur-  
18                 suant to a mutual legal assistance  
19                 treaty, multilateral agreement, or  
20                 other arrangement for international  
21                 law enforcement assistance, provided  
22                 that such requests are in accordance  
23                 with the policies and procedures of the  
24                 Attorney General.”.

1 **SEC. 318. LAUNDERING MONEY THROUGH A FOREIGN**  
2 **BANK.**

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

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

7 “(A) any financial institution, as defined in  
8 section 5312(a)(2) of title 31, United States  
9 Code, or the regulations promulgated there-  
10 under; and

11 “(B) any foreign bank, as defined in sec-  
12 tion 1 of the International Banking Act of 1978  
13 (12 U.S.C. 3101).”.

14 **SEC. 319. FORFEITURE OF FUNDS IN UNITED STATES**  
15 **INTERBANK ACCOUNTS.**

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

19 “(k) **INTERBANK ACCOUNTS.**—

20 “(1) **IN GENERAL.**—

21 “(A) **IN GENERAL.**—For the purpose of a  
22 forfeiture under this section or under the Con-  
23 trolled Substances Act (21 U.S.C. 801 et seq.),  
24 if funds are deposited into an account at a for-  
25 eign bank, and that foreign bank has an inter-  
26 bank account in the United States with a cov-

1           ered financial institution (as defined in section  
2           5318A of title 31), the funds shall be deemed  
3           to have been deposited into the interbank ac-  
4           count in the United States, and any restraining  
5           order, seizure warrant, or arrest warrant in rem  
6           regarding the funds may be served on the cov-  
7           ered financial institution, and funds in the  
8           interbank account, up to the value of the funds  
9           deposited into the account at the foreign bank,  
10          may be restrained, seized, or arrested.

11           “(B) AUTHORITY TO SUSPEND.—The At-  
12          torney General, in consultation with the Sec-  
13          retary, may suspend or terminate a forfeiture  
14          under this section if the Attorney General de-  
15          termines that a conflict of law exists between  
16          the laws of the jurisdiction in which the foreign  
17          bank is located and the laws of the United  
18          States with respect to liabilities arising from  
19          the restraint, seizure, or arrest of such funds,  
20          and that such suspension or termination would  
21          be in the interest of justice and would not harm  
22          the national interests of the United States.

23           “(2) NO REQUIREMENT FOR GOVERNMENT TO  
24          TRACE FUNDS.—If a forfeiture action is brought  
25          against funds that are restrained, seized, or arrested

1 under paragraph (1), it shall not be necessary for  
2 the Government to establish that the funds are di-  
3 rectly traceable to the funds that were deposited into  
4 the foreign bank, nor shall it be necessary for the  
5 Government to rely on the application of section  
6 984.

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

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

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

18 “(B) OWNER.—

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

21 “(I) means the person who was  
22 the owner, as that term is defined in  
23 section 983(d)(6), of the funds that  
24 were deposited into the foreign bank

1 at the time such funds were deposited;  
2 and

3 “(II) does not include either the  
4 foreign bank or any financial institu-  
5 tion acting as an intermediary in the  
6 transfer of the funds into the inter-  
7 bank account.

8 “(ii) EXCEPTION.—The foreign bank  
9 may be considered the ‘owner’ of the funds  
10 (and no other person shall qualify as the  
11 owner of such funds) only if—

12 “(I) the basis for the forfeiture  
13 action is wrongdoing committed by  
14 the foreign bank; or

15 “(II) the foreign bank estab-  
16 lishes, by a preponderance of the evi-  
17 dence, that prior to the restraint, sei-  
18 zure, or arrest of the funds, the for-  
19 eign bank had discharged all or part  
20 of its obligation to the prior owner of  
21 the funds, in which case the foreign  
22 bank shall be deemed the owner of the  
23 funds to the extent of such discharged  
24 obligation.”.

1 (b) BANK RECORDS.—Section 5318 of title 31,  
2 United States Code, is amended by adding at the end the  
3 following:

4 “(k) BANK RECORDS RELATED TO ANTI-MONEY  
5 LAUNDERING PROGRAMS.—

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

8 “(A) APPROPRIATE FEDERAL BANKING  
9 AGENCY.—The term ‘appropriate Federal bank-  
10 ing agency’ has the same meaning as in section  
11 3 of the Federal Deposit Insurance Act (12  
12 U.S.C. 1813).

13 “(B) INCORPORATED TERMS.—The terms  
14 ‘correspondent account’, ‘covered financial insti-  
15 tution’, and ‘foreign bank’ have the same mean-  
16 ings as in section 5318A.

17 “(2) 120-HOUR RULE.—Not later than 120  
18 hours after receiving a request by an appropriate  
19 Federal banking agency for information related to  
20 anti-money laundering compliance by a covered fi-  
21 nancial institution or a customer of such institution,  
22 a covered financial institution shall provide to the  
23 appropriate Federal banking agency, or make avail-  
24 able at a location specified by the representative of  
25 the appropriate Federal banking agency, information

1 and account documentation for any account opened,  
2 maintained, administered or managed in the United  
3 States by the covered financial institution.

4 “(3) FOREIGN BANK RECORDS.—

5 “(A) SUMMONS OR SUBPOENA OF  
6 RECORDS.—

7 “(i) IN GENERAL.—The Secretary or  
8 the Attorney General may issue a sum-  
9 mons or subpoena to any foreign bank that  
10 maintains a correspondent account in the  
11 United States and request records related  
12 to such correspondent account, including  
13 records maintained outside of the United  
14 States relating to the deposit of funds into  
15 the foreign bank.

16 “(ii) SERVICE OF SUMMONS OR SUB-  
17 POENA.—A summons or subpoena referred  
18 to in clause (i) may be served on the for-  
19 eign bank in the United States if the for-  
20 eign bank has a representative in the  
21 United States, or in a foreign country pur-  
22 suant to any mutual legal assistance trea-  
23 ty, multilateral agreement, or other request  
24 for international law enforcement assist-  
25 ance.

1 “(B) ACCEPTANCE OF SERVICE.—

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

13 “(ii) LAW ENFORCEMENT REQUEST.—  
14 Upon receipt of a written request from a  
15 Federal law enforcement officer for infor-  
16 mation required to be maintained under  
17 this paragraph, the covered financial insti-  
18 tution shall provide the information to the  
19 requesting officer not later than 7 days  
20 after receipt of the request.

21 “(C) TERMINATION OF CORRESPONDENT  
22 RELATIONSHIP.—

23 “(i) TERMINATION UPON RECEIPT OF  
24 NOTICE.—A covered financial institution  
25 shall terminate any correspondent relation-

1 ship with a foreign bank not later than 10  
2 business days after receipt of written no-  
3 tice from the Secretary or the Attorney  
4 General that the foreign bank has failed—

5 “(I) to comply with a summons  
6 or subpoena issued under subpara-  
7 graph (A); or

8 “(II) to initiate proceedings in a  
9 United States court contesting such  
10 summons or subpoena.

11 “(ii) LIMITATION ON LIABILITY.—A  
12 covered financial institution shall not be  
13 liable to any person in any court or arbi-  
14 tration proceeding for terminating a cor-  
15 respondent relationship in accordance with  
16 this subsection.

17 “(iii) FAILURE TO TERMINATE RELA-  
18 TIONSHIP.—Failure to terminate a cor-  
19 respondent relationship in accordance with  
20 this subsection shall render the covered fi-  
21 nancial institution liable for a civil penalty  
22 of up to \$10,000 per day until the cor-  
23 respondent relationship is so terminated.”.

24 (c) GRACE PERIOD.—Financial institutions affected  
25 by section 5333 of title 31 United States Code, as amend-

1 ed by this title, shall have 60 days from the date of enact-  
2 ment of this Act to comply with the provisions of that sec-  
3 tion.

4 (d) REQUESTS FOR RECORDS.—Section 3486(a)(1)  
5 of title 18, United States Code, is amended by striking  
6 “, or (II) a Federal offense involving the sexual exploi-  
7 tation or abuse of children” and inserting “, (II) a Federal  
8 offense involving the sexual exploitation or abuse of chil-  
9 dren, or (III) money laundering, in violation of section  
10 1956, 1957, or 1960 of this title”.

11 (e) AUTHORITY TO ORDER CONVICTED CRIMINAL TO  
12 RETURN PROPERTY LOCATED ABROAD.—

13 (1) FORFEITURE OF SUBSTITUTE PROPERTY.—

14 Section 413(p) of the Controlled Substances Act (21  
15 U.S.C. 853) is amended to read as follows:

16 “(p) FORFEITURE OF SUBSTITUTE PROPERTY.—

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

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

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

1           “(C) has been placed beyond the jurisdic-  
2           tion of the court;

3           “(D) has been substantially diminished in  
4           value; or

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

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

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

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

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

1           “(A) IN GENERAL.—Pursuant to its au-  
2           thority to enter a pretrial restraining order  
3           under this section, including its authority to re-  
4           strain any property forfeitable as substitute as-  
5           sets, the court may order a defendant to repa-  
6           triate any property that may be seized and for-  
7           feited, and to deposit that property pending  
8           trial in the registry of the court, or with the  
9           United States Marshals Service or the Sec-  
10          retary of the Treasury, in an interest-bearing  
11          account, if appropriate.

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

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

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

23          “(B) Any property, real or personal, within the  
24          jurisdiction of the United States, constituting, de-  
25          rived from, or traceable to, any proceeds obtained di-

1 rectly or indirectly from an offense against a foreign  
2 nation, or any property used to facilitate such an of-  
3 fense, if the offense—

4 “(i) involves the manufacture, importation,  
5 sale, or distribution of a controlled substance  
6 (as that term is defined for purposes of the  
7 Controlled Substances Act), or any other con-  
8 duct described in section 1956(c)(7)(B);

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

12 “(iii) would be punishable under the laws  
13 of the United States by imprisonment for a  
14 term exceeding 1 year, if the act or activity con-  
15 stituting the offense had occurred within the ju-  
16 risdiction of the United States.”.

17 **SEC. 321. EXCLUSION OF ALIENS INVOLVED IN MONEY**  
18 **LAUNDERING.**

19 Section 212(a)(2) of the Immigration and Nationality  
20 Act of 1952 (8 U.S.C. 1182(a)(2)) is amended by adding  
21 at the end the following:

22 “(I) **MONEY LAUNDERING ACTIVITIES.**—

23 Any alien who the consular officer or the Attor-  
24 ney General knows or has reason to believe is  
25 or has been engaged in activities which, if en-

1 gaged in within the United States would con-  
2 stitute a violation of section 1956 or 1957 of  
3 title 18, United States Code, or has been a  
4 knowing assister, abettor, conspirator, or  
5 colluder with others in any such illicit activity  
6 is inadmissible.”.

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

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

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

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

16 Section 2467 of title 28, United States Code, is  
17 amended—

18 (1) in subsection (d), by adding the following  
19 after paragraph (2):

20 “(3) PRESERVATION OF PROPERTY.—To pre-  
21 serve the availability of property subject to a foreign  
22 forfeiture or confiscation judgment, the Government  
23 may apply for, and the court may issue, a restrain-  
24 ing order pursuant to section 983(j) of title 18,  
25 United States Code, at any time before or after an

1 application is filed pursuant to subsection (c)(1).

2 The court, in issuing the restraining order—

3 “(A) may rely on information set forth in  
4 an affidavit describing the nature of the pro-  
5 ceeding investigation underway in the foreign  
6 country, and setting forth a reasonable basis to  
7 believe that the property to be restrained will be  
8 named in a judgment of forfeiture at the con-  
9 clusion of such proceeding; or

10 “(B) may register and enforce a restrain-  
11 ing order has been issued by a court of com-  
12 petent jurisdiction in the foreign country and  
13 certified by the Attorney General pursuant to  
14 subsection (b)(2).

15 No person may object to the restraining order on  
16 any ground that is the subject to parallel litigation  
17 involving the same property that is pending in a for-  
18 eign court.”;

19 (2) in subsection (b)(1)(C), by striking “estab-  
20 lishing that the defendant received notice of the pro-  
21 ceedings in sufficient time to enable the defendant”  
22 and inserting “establishing that the foreign nation  
23 took steps, in accordance with the principles of due  
24 process, to give notice of the proceedings to all per-

1 sons with an interest in the property in sufficient  
2 time to enable such persons”;

3 (3) in subsection (d)(1)(D), by striking “the de-  
4 fendant in the proceedings in the foreign court did  
5 not receive notice” and inserting “the foreign nation  
6 did not take steps, in accordance with the principles  
7 of due process, to give notice of the proceedings to  
8 a person with an interest in the property”; and

9 (4) in subsection (a)(2)(A), by inserting “, any  
10 violation of foreign law that would constitute a viola-  
11 tion of an offense for which property could be for-  
12 feited under Federal law if the offense were com-  
13 mitted in the United States” after “United Nations  
14 Convention”.

15 **SEC. 324. INCREASE IN CIVIL AND CRIMINAL PENALTIES**  
16 **FOR MONEY LAUNDERING.**

17 (a) CIVIL PENALTIES.—Section 5321(a) of title 31,  
18 United States Code, is amended by adding at the end the  
19 following:

20 “(7) PENALTIES FOR INTERNATIONAL  
21 COUNTER MONEY LAUNDERING VIOLATIONS.—The  
22 Secretary may impose a civil money penalty in an  
23 amount equal to not less than 2 times the amount  
24 of the transaction, but not more than \$1,000,000,  
25 on any financial institution or agency that violates

1 any provision of subsection (i) or (j) of section 5318  
2 or any special measures imposed under section  
3 5318A.”.

4 (b) CRIMINAL PENALTIES.—Section 5322 of title 31,  
5 United States Code, is amended by adding at the end the  
6 following:

7 “(d) A financial institution or agency that violates  
8 any provision of subsection (i) or (j) of section 5318, or  
9 any special measures imposed under section 5318A, or any  
10 regulation prescribed under subsection (i) or (j) of section  
11 5318 or section 5318A, shall be fined in an amount equal  
12 to not less than 2 times the amount of the transaction,  
13 but not more than \$1,000,000.”.

14 **SEC. 325. REPORT AND RECOMMENDATION.**

15 Not later than 30 months after the date of enactment  
16 of this Act, the Secretary, in consultation with the Attor-  
17 ney General, the Federal banking agencies (as defined at  
18 section 3 of the Federal Deposit Insurance Act), the Secu-  
19 rities and Exchange Commission, and such other agencies  
20 as the Secretary may determine, at the discretion of the  
21 Secretary, shall evaluate the operations of the provisions  
22 of this subtitle and make recommendations to Congress  
23 as to any legislative action with respect to this subtitle  
24 as the Secretary may determine to be necessary or advis-  
25 able.

1 **SEC. 326. REPORT ON EFFECTIVENESS.**

2 The Secretary shall report annually on measures  
3 taken pursuant to this subtitle, and shall submit the re-  
4 port to the Committee on Banking, Housing, and Urban  
5 Affairs of the Senate and to the Committee on Financial  
6 Services of the House of Representatives.

7 **SEC. 327. CONCENTRATION ACCOUNTS AT FINANCIAL IN-**  
8 **STITUTIONS.**

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

12 “(3) CONCENTRATION ACCOUNTS.—The Sec-  
13 retary may issue regulations under this subsection  
14 that govern maintenance of concentration accounts  
15 by financial institutions, in order to ensure that such  
16 accounts are not used to prevent association of the  
17 identity of an individual customer with the move-  
18 ment of funds of which the customer is the direct or  
19 beneficial owner, which regulations shall, at a  
20 minimum—

21 “(A) prohibit financial institutions from al-  
22 lowing clients to direct transactions that move  
23 their funds into, out of, or through the con-  
24 centration accounts of the financial institution;

25 “(B) prohibit financial institutions and  
26 their employees from informing customers of

1 the existence of, or the means of identifying,  
2 the concentration accounts of the institution;  
3 and

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

13 **Subtitle B—Currency Transaction**  
14 **Reporting Amendments and Re-**  
15 **lated Improvements**

16 **SEC. 331. AMENDMENTS RELATING TO REPORTING OF SUS-**  
17 **PICIOUS ACTIVITIES.**

18 (a) AMENDMENT RELATING TO CIVIL LIABILITY IM-  
19 MUNITY FOR DISCLOSURES.—Section 5318(g)(3) of title  
20 31, United States Code, is amended to read as follows:

21 “(3) LIABILITY FOR DISCLOSURES.—

22 “(A) IN GENERAL.—Any financial institu-  
23 tion that makes a voluntary disclosure of any  
24 possible violation of law or regulation to a gov-  
25 ernment agency or makes a disclosure pursuant

1 to this subsection or any other authority, and  
2 any director, officer, employee, or agent of such  
3 institution who makes, or requires another to  
4 make any such disclosure, shall not be liable to  
5 any person under any law or regulation of the  
6 United States, any constitution, law, or regula-  
7 tion of any State or political subdivision of any  
8 State, or under any contract or other legally en-  
9 forceable agreement (including any arbitration  
10 agreement), for such disclosure or for any fail-  
11 ure to provide notice of such disclosure to the  
12 person who is the subject of such disclosure or  
13 any other person identified in the disclosure.

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

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

21 “(ii) any immunity against, or other-  
22 wise affecting, any civil or criminal action  
23 brought by any government or agency of  
24 government to enforce any constitution,

1 law, or regulation of such government or  
2 agency.”.

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

6 “(2) NOTIFICATION PROHIBITED.—

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

13 “(i) the financial institution, director,  
14 officer, employee, or agent may not notify  
15 any person involved in the transaction that  
16 the transaction has been reported; and

17 “(ii) no officer or employee of the  
18 Federal Government or of any State, local,  
19 tribal, or territorial government within the  
20 United States, who has any knowledge that  
21 such report was made may disclose to any  
22 person involved in the transaction that the  
23 transaction has been reported, other than  
24 as necessary to fulfill the official duties of  
25 such officer or employee.

1                   “(B) DISCLOSURES IN CERTAIN EMPLOY-  
2                   MENT REFERENCES.—

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

12                  “(I) in a written employment ref-  
13                  erence that is provided in accordance  
14                  with section 18(v) of the Federal De-  
15                  posit Insurance Act in response to a  
16                  request from another financial institu-  
17                  tion, except that such written ref-  
18                  erence may not disclose that such in-  
19                  formation was also included in any  
20                  such report or that such report was  
21                  made; or

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

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

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

13 **SEC. 332. ANTI-MONEY LAUNDERING PROGRAMS.**

14 Section 5318(h) of title 31, United States Code, is  
15 amended to read as follows:

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

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

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

23 “(B) the designation of a compliance offi-  
24 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 may pre-  
6           scribe minimum standards for programs established  
7           under paragraph (1), and may exempt from the ap-  
8           plication of those standards any financial institution  
9           that is not subject to the provisions of the rules con-  
10          tained in part 103 of title 31, of the Code of Federal  
11          Regulations, or any successor rule thereto, for so  
12          long as such financial institution is not subject to  
13          the provisions of such rules.”.

14 **SEC. 333. PENALTIES FOR VIOLATIONS OF GEOGRAPHIC**  
15                   **TARGETING ORDERS AND CERTAIN RECORD-**  
16                   **KEEPING REQUIREMENTS, AND LENGTH-**  
17                   **ENING EFFECTIVE PERIOD OF GEOGRAPHIC**  
18                   **TARGETING ORDERS.**

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

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

24               (2) by inserting “, or willfully violating a regu-  
25               lation prescribed under section 21 of the Federal

1       Deposit Insurance Act or section 123 of Public Law  
2       91-508,” after “sections 5314 and 5315)”.

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

6             (1) in subsection (a)—

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

10                (B) by inserting “, or willfully violating a  
11                regulation prescribed under section 21 of the  
12                Federal Deposit Insurance Act or section 123  
13                of Public Law 91-508,” after “under section  
14                5315 or 5324)”;

15             (2) in subsection (b)—

16                 (A) by inserting “or order issued” after  
17                 “willfully violating this subchapter or a regula-  
18                 tion prescribed”; and

19                 (B) by inserting “or willfully violating a  
20                 regulation prescribed under section 21 of the  
21                 Federal Deposit Insurance Act or section 123  
22                 of Public Law 91-508,” after “under section  
23                 5315 or 5324)”.

24       (c) STRUCTURING TRANSACTIONS TO EVADE TAR-  
25       GETING ORDER OR CERTAIN RECORDKEEPING REQUIRE-

1 MENTS.—Section 5324(a) of title 31, United States Code,  
2 is amended—

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

4 (2) by striking “section—” and inserting “sec-  
5 tion, the reporting or recordkeeping requirements  
6 imposed by any order issued under section 5326, or  
7 the recordkeeping requirements imposed by any reg-  
8 ulation prescribed under section 21 of the Federal  
9 Deposit Insurance Act or section 123 of Public Law  
10 91–508—”;

11 (3) in paragraph (1), by inserting “, to file a  
12 report or to maintain a record required by an order  
13 issued under section 5326, or to maintain a record  
14 required pursuant to any regulation prescribed  
15 under section 21 of the Federal Deposit Insurance  
16 Act or section 123 of Public Law 91–508” after  
17 “regulation prescribed under any such section”; and

18 (4) in paragraph (2), by inserting “, to file a  
19 report or to maintain a record required by any order  
20 issued under section 5326, or to maintain a record  
21 required pursuant to any regulation prescribed  
22 under section 5326, or to maintain a record required  
23 pursuant to any regulation prescribed under section  
24 21 of the Federal Deposit Insurance Act or section

1 123 of Public Law 91–508,” after “regulation pre-  
 2 scribed under any such section”.

3 (d) LENGTHENING EFFECTIVE PERIOD OF GEO-  
 4 GRAPHIC TARGETING ORDERS.—Section 5326(d) of title  
 5 31, United States Code, is amended by striking “more  
 6 than 60” and inserting “more than 180”.

7 **SEC. 334. ANTI-MONEY LAUNDERING STRATEGY.**

8 (b) STRATEGY.—Section 5341(b) of title 31, United  
 9 States Code, is amended by adding at the end the fol-  
 10 lowing:

11 “(12) DATA REGARDING FUNDING OF TER-  
 12 RORISM.—Data concerning money laundering efforts  
 13 related to the funding of acts of international ter-  
 14 rorism, and efforts directed at the prevention, detec-  
 15 tion, and prosecution of such funding.”.

16 **SEC. 335. AUTHORIZATION TO INCLUDE SUSPICIONS OF IL-  
 17 LEGAL ACTIVITY IN WRITTEN EMPLOYMENT  
 18 REFERENCES.**

19 Section 18 of the Federal Deposit Insurance Act (12  
 20 U.S.C. 1828) is amended by adding at the end the fol-  
 21 lowing:

22 “(v) WRITTEN EMPLOYMENT REFERENCES MAY  
 23 CONTAIN SUSPICIONS OF INVOLVEMENT IN ILLEGAL AC-  
 24 TIVITY.—

1           “(1) AUTHORITY TO DISCLOSE INFORMA-  
2           TION.—Notwithstanding any other provision of law,  
3           any insured depository institution, and any director,  
4           officer, employee, or agent of such institution, may  
5           disclose in any written employment reference relat-  
6           ing to a current or former institution-affiliated party  
7           of such institution which is provided to another in-  
8           sured depository institution in response to a request  
9           from such other institution, information concerning  
10          the possible involvement of such institution-affiliated  
11          party in potentially unlawful activity.

12          “(2) INFORMATION NOT REQUIRED.—Nothing  
13          in paragraph (1) shall be construed, by itself, to cre-  
14          ate any affirmative duty to include any information  
15          described in paragraph (1) in any employment ref-  
16          erence referred to in paragraph (1).

17          “(3) MALICIOUS INTENT.—Notwithstanding  
18          any other provision of this subsection, voluntary dis-  
19          closure made by an insured depository institution,  
20          and any director, officer, employee, or agent of such  
21          institution under this subsection concerning poten-  
22          tially unlawful activity that is made with malicious  
23          intent, shall not be shielded from liability from the  
24          person identified in the disclosure.

1           “(4) DEFINITION.—For purposes of this sub-  
2           section, the term ‘insured depository institution’ in-  
3           cludes any uninsured branch or agency of a foreign  
4           bank.”.

5   **SEC. 336. BANK SECRECY ACT ADVISORY GROUP.**

6           Section 1564 of the Annunzio-Wylie Anti-Money  
7    Laundering Act (31 U.S.C. 5311 note) is amended—

8           (1) in subsection (a), by inserting “, of non-  
9           governmental organizations advocating financial pri-  
10          vacy,” after “Drug Control Policy”; and

11          (2) in subsection (c), by inserting “, other than  
12          subsections (a) and (d) of such Act which shall  
13          apply” before the period at the end.

14   **SEC. 337. AGENCY REPORTS ON RECONCILING PENALTY**  
15                           **AMOUNTS.**

16          Not later than 1 year after the date of enactment  
17    of this Act, the Secretary of the Treasury and the Federal  
18    banking agencies (as defined in section 3 of the Federal  
19    Deposit Insurance Act (12 U.S.C. 1813)) shall each sub-  
20    mit their respective reports to the Congress containing  
21    recommendations on possible legislation to conform the  
22    penalties imposed on depository institutions (as defined in  
23    section 3 of the Federal Deposit Insurance Act) for viola-  
24    tions of subchapter II of chapter 53 of title 31, United  
25    States Code, to the penalties imposed on such institutions

1 under section 8 of the Federal Deposit Insurance Act (12  
2 U.S.C. 1818).

3 **SEC. 338. REPORTING OF SUSPICIOUS ACTIVITIES BY SECU-**  
4 **RITIES BROKERS AND DEALERS; INVEST-**  
5 **MENT COMPANY STUDY.**

6 (a) 270-DAY REGULATION DEADLINE.—Not later  
7 than 270 days after the date of enactment of this Act,  
8 the Secretary of the Treasury, after consultation with the  
9 Securities and Exchange Commission and the Board of  
10 Governors of the Federal Reserve System, shall issue final  
11 regulations requiring registered brokers and dealers to file  
12 reports of suspicious financial transactions, consistent  
13 with the requirements applicable to financial institutions,  
14 and directors, officers, employees, and agents of financial  
15 institutions under section 5318(g) of title 31, United  
16 States Code.

17 (b) REPORT ON INVESTMENT COMPANIES.—

18 (1) IN GENERAL.—Not later than 1 year after  
19 the date of enactment of this Act, Secretary of the  
20 Treasury, the Board of Governors of the Federal  
21 Reserve System, and the Securities and Exchange  
22 Commission shall jointly submit a report to Con-  
23 gress on recommendations for effective regulations  
24 to apply the requirements of subchapter II of chap-  
25 ter 53 of title 31, United States Code, to investment

1 companies, pursuant to section 5312(a)(2)(I) of title  
2 31, United States Code.

3 (2) DEFINITION.—For purposes of this section,  
4 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) any person that, but for the exceptions  
9 provided for in paragraph (1) or (7) of section  
10 3(c) of the Investment Company Act of 1940  
11 (15 U.S.C. 80a–3(c)), would be an investment  
12 company.

13 (3) ADDITIONAL RECOMMENDATIONS.—In its  
14 report, the Securities and Exchange Commission  
15 may make different recommendations for different  
16 types of entities covered by this section.

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. 339. 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 exp-  
21 ditiously accomplishing the transfer.

1 **SEC. 340. BANK SECRECY PROVISIONS AND ANTI-TER-**  
2 **RORIST ACTIVITIES OF UNITED STATES IN-**  
3 **TELLIGENCE AGENCIES.**

4 (a) AMENDMENT RELATING TO THE PURPOSES OF  
5 THE BANK SECRECY ACT.—Section 5311 of title 31,  
6 United States Code, is amended by inserting before the  
7 period at the end the following: “, or in the conduct of  
8 intelligence or counterintelligence activities, including  
9 analysis, to protect against international terrorism”.

10 (b) AMENDMENT RELATING TO REPORTING OF SUS-  
11 PICIOUS ACTIVITIES.—Section 5318(g)(4)(B) of title 31,  
12 United States Code, is amended by striking “or super-  
13 visory agency” and inserting “, supervisory agency, or  
14 United States intelligence agency for use in the conduct  
15 of intelligence or counterintelligence activities, including  
16 analysis, to protect against international terrorism”.

17 (c) AMENDMENT RELATING TO AVAILABILITY OF  
18 REPORTS.—Section 5319 of title 31, United States Code,  
19 is amended to read as follows:

20 **“§ 5319. Availability of reports**

21 “The Secretary of the Treasury shall make informa-  
22 tion in a report filed under this subchapter available to  
23 an agency, including any State financial institutions su-  
24 pervisory agency or United States intelligence agency,  
25 upon request of the head of the agency. The report shall  
26 be available for a purpose that is consistent with this sub-

1 chapter. The Secretary may only require reports on the  
2 use of such information by any State financial institutions  
3 supervisory agency for other than supervisory purposes or  
4 by United States intelligence agencies. However, a report  
5 and records of reports are exempt from disclosure under  
6 section 552 of title 5.”.

7 (d) AMENDMENT RELATING TO THE PURPOSES OF  
8 THE BANK SECRECY ACT PROVISIONS.—Section 21(a) of  
9 the Federal Deposit Insurance Act (12 U.S.C. 1829b(a))  
10 is amended to read as follows:

11 “(a) CONGRESSIONAL FINDINGS AND DECLARATION  
12 OF PURPOSE.—

13 “(1) FINDINGS.—Congress finds that—

14 “(A) adequate records maintained by in-  
15 sured depository institutions have a high degree  
16 of usefulness in criminal, tax, and regulatory  
17 investigations or proceedings, and that, given  
18 the threat posed to the security of the Nation  
19 on and after the terrorist attacks against the  
20 United States on September 11, 2001, such  
21 records may also have a high degree of useful-  
22 ness in the conduct of intelligence or counter-  
23 intelligence activities, including analysis, to pro-  
24 tect against domestic and international ter-  
25 rorism; and

1           “(B) microfilm or other reproductions and  
2           other records made by insured depository insti-  
3           tutions of checks, as well as records kept by  
4           such institutions, of the identity of persons  
5           maintaining or authorized to act with respect to  
6           accounts therein, have been of particular value  
7           in proceedings described in subparagraph (A).

8           “(2) PURPOSE.—It is the purpose of this sec-  
9           tion to require the maintenance of appropriate types  
10          of records by insured depository institutions in the  
11          United States where such records have a high degree  
12          of usefulness in criminal, tax, or regulatory inves-  
13          tigations or proceedings, recognizes that, given the  
14          threat posed to the security of the Nation on and  
15          after the terrorist attacks against the United States  
16          on September 11, 2001, such records may also have  
17          a high degree of usefulness in the conduct of intel-  
18          ligence or counterintelligence activities, including  
19          analysis, to protect against international terrorism.”.

20          (e) AMENDMENT RELATING TO THE PURPOSES OF  
21          THE BANK SECRECY ACT.—Section 123(a) of Public Law  
22          91–508 (12 U.S.C. 1953(a)) is amended to read as fol-  
23          lows:

24          “(a) REGULATIONS.—If the Secretary determines  
25          that the maintenance of appropriate records and proce-

1 dures by any uninsured bank or uninsured institution, or  
2 any person engaging in the business of carrying on in the  
3 United States any of the functions referred to in sub-  
4 section (b), has a high degree of usefulness in criminal,  
5 tax, or regulatory investigations or proceedings, and that,  
6 given the threat posed to the security of the Nation on  
7 and after the terrorist attacks against the United States  
8 on September 11, 2001, such records may also have a high  
9 degree of usefulness in the conduct of intelligence or coun-  
10 terintelligence activities, including analysis, to protect  
11 against international terrorism, he may by regulation re-  
12 quire such bank, institution, or person.”.

13 (f) AMENDMENTS TO THE RIGHT TO FINANCIAL PRI-  
14 VACY ACT.—The Right to Financial Privacy Act of 1978  
15 is amended—

16 (1) in section 1112(a) (12 U.S.C. 3412(a)), by  
17 inserting “, or intelligence or counterintelligence ac-  
18 tivity, investigation or analysis related to inter-  
19 national terrorism” after “legitimate law enforce-  
20 ment inquiry”; and

21 (2) in section 1114(a)(1) (12 U.S.C.  
22 3414(a)(1))—

23 (A) in subparagraph (A), by striking “or”  
24 at the end;

1 (B) in subparagraph (B), by striking the  
2 period at the end and inserting “; or”; and

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

4 “(C) a Government authority authorized to  
5 conduct investigations of, or intelligence or  
6 counterintelligence analyses related to, inter-  
7 national terrorism for the purpose of con-  
8 ducting such investigations or analyses.”.

9 (g) AMENDMENT TO THE FAIR CREDIT REPORTING  
10 ACT.—The Fair Credit Reporting Act (15 U.S.C. 1681  
11 et seq.) is amended by adding at the end the following  
12 new section:

13 **“SEC. 626. DISCLOSURES TO GOVERNMENTAL AGENCIES**  
14 **FOR COUNTERTERRORISM PURPOSES.**

15 “(a) DISCLOSURE.—Notwithstanding section 604 or  
16 any other provision of this title, a consumer reporting  
17 agency shall furnish a consumer report of a consumer and  
18 all other information in a consumer’s file to a government  
19 agency authorized to conduct investigations of, or intel-  
20 ligence or counterintelligence activities or analysis related  
21 to, international terrorism when presented with a written  
22 certification by such government agency that such infor-  
23 mation is necessary for the agency’s conduct or such inves-  
24 tigation, activity or analysis.

1       “(b) FORM OF CERTIFICATION.—The certification  
2 described in subsection (a) shall be signed by the Sec-  
3 retary of the Treasury.

4       “(c) CONFIDENTIALITY.—No consumer reporting  
5 agency, or officer, employee, or agent of such consumer  
6 reporting agency, shall disclose to any person, or specify  
7 in any consumer report, that a government agency has  
8 sought or obtained access to information under subsection  
9 (a).

10       “(d) RULE OF CONSTRUCTION.—Nothing in section  
11 625 shall be construed to limit the authority of the Direc-  
12 tor of the Federal Bureau of Investigation under this sec-  
13 tion.

14       “(e) SAFE HARBOR.—Notwithstanding any other  
15 provision of this subchapter, any consumer reporting  
16 agency or agent or employee thereof making disclosure of  
17 consumer reports or other information pursuant to this  
18 section in good-faith reliance upon a certification of a gov-  
19 ernmental agency pursuant to the provisions of this sec-  
20 tion shall not be liable to any person for such disclosure  
21 under this subchapter, the constitution of any State, or  
22 any law or regulation of any State or any political subdivi-  
23 sion of any State.”.

1 **SEC. 341. REPORTING OF SUSPICIOUS ACTIVITIES BY**  
2 **HAWALA AND OTHER UNDERGROUND BANK-**  
3 **ING SYSTEMS.**

4 (a) **DEFINITION FOR SUBCHAPTER.**—Section  
5 5312(a)(2)(R) of title 31, United States Code, is amended  
6 to read as follows:

7 “(R) a licensed sender of money or any  
8 other person who engages as a business in the  
9 transmission of funds, including through an in-  
10 formal value transfer banking system or net-  
11 work of people facilitating the transfer of value  
12 domestically or internationally outside of the  
13 conventional financial institutions system;”.

14 (b) **MONEY TRANSMITTING BUSINESS.**—Section  
15 5330(d)(1)(A) of title 31, United States Code, is amended  
16 by inserting before the semicolon the following: “or any  
17 other person who engages as a business in the trans-  
18 mission of funds, including through an informal value  
19 transfer banking system or network of people facilitating  
20 the transfer of value domestically or internationally out-  
21 side of the conventional financial institutions system;”.

22 (d) **APPLICABILITY OF RULES.**—Section 5318 of title  
23 31, United States Code, as amended by this title, is  
24 amended by adding at the end the following:

25 “(l) **APPLICABILITY OF RULES.**—Any rules promul-  
26 gated pursuant to the authority contained in section 21

1 of the Federal Deposit Insurance Act (12 U.S.C. 1829b)  
2 shall apply, in addition to any other financial institution  
3 to which such rules apply, to any person that engages as  
4 a business in the transmission of funds, including through  
5 an informal value transfer banking system or network of  
6 people facilitating the transfer of value domestically or  
7 internationally outside of the conventional financial insti-  
8 tutions system.”.

9 (e) REPORT.—Not later than 1 year after the date  
10 of enactment of this Act, the Secretary of the Treasury  
11 shall report to Congress on the need for any additional  
12 legislation relating to informal value transfer banking sys-  
13 tems or networks of people facilitating the transfer of  
14 value domestically or internationally outside of the conven-  
15 tional financial institutions system, counter money laun-  
16 dering and regulatory controls relating to underground  
17 money movement and banking systems, such as the system  
18 referred to as ‘hawala’, including whether the threshold  
19 for the filing of suspicious activity reports under section  
20 5318(g) of title 31, United States Code should be lowered  
21 in the case of such systems.

22 **SEC. 342. USE OF AUTHORITY OF UNITED STATES EXECU-**  
23 **TIVE DIRECTORS.**

24 (a) ACTION BY THE PRESIDENT.—If the President  
25 determines that a particular foreign country has taken or

1 has committed to take actions that contribute to efforts  
2 of the United States to respond to, deter, or prevent acts  
3 of international terrorism, the Secretary of the Treasury  
4 may, consistent with other applicable provisions of law, in-  
5 struct the United States Executive Director of each inter-  
6 national financial institution to use the voice and vote of  
7 the Executive Director to support any loan or other utili-  
8 zation of the funds of respective institutions for such coun-  
9 try, or any public or private entity within such country.

10 (b) USE OF VOICE AND VOTE.—The Secretary of the  
11 Treasury may instruct the United States Executive Direc-  
12 tor of each international financial institution to aggres-  
13 sively use the voice and vote of the Executive Director to  
14 require an auditing of disbursements at such institutions  
15 to ensure that no funds are paid to persons who commit,  
16 threaten to commit, or support terrorism.

17 (c) DEFINITION.—For purposes of this section, the  
18 term “international financial institution” means an insti-  
19 tution described in section 1701(c)(2) of the International  
20 Financial Institutions Act (22 U.S.C. 262r(c)(2)).

## 21 **Subtitle C—Currency Crimes**

### 22 **SEC. 351. BULK CASH SMUGGLING.**

23 (a) FINDINGS.—Congress finds that—

24 (1) effective enforcement of the currency re-  
25 porting requirements of chapter 53 of title 31,

1 United States Code (commonly referred to as the  
2 Bank Secrecy Act), and the regulations promulgated  
3 thereunder, has forced drug dealers and other crimi-  
4 nals engaged in cash-based businesses to avoid using  
5 traditional financial institutions;

6 (2) in their effort to avoid using traditional fi-  
7 nancial institutions, drug dealers, and other crimi-  
8 nals are forced to move large quantities of currency  
9 in bulk form to and through the airports, border  
10 crossings, and other ports of entry where it can be  
11 smuggled out of the United States and placed in a  
12 foreign financial institution or sold on the black  
13 market;

14 (3) the transportation and smuggling of cash in  
15 bulk form may, at the time of enactment of this Act,  
16 be the most common form of money laundering, and  
17 the movement of large sums of cash is one of the  
18 most reliable warning signs of drug trafficking, ter-  
19 rorism, money laundering, racketeering, tax evasion,  
20 and similar crimes;

21 (4) the intentional transportation into or out of  
22 the United States of large amounts of currency or  
23 monetary instruments, in a manner designed to cir-  
24 cumvent the mandatory reporting provisions of chap-  
25 ter 53 of title 31, United States Code, is the equiva-

1       lent of, and creates the same harm as, the smug-  
2       gling of goods;

3           (5) the arrest and prosecution of bulk cash  
4       smugglers is an important part of law enforcement's  
5       effort to stop the laundering of criminal proceeds,  
6       but the couriers who attempt to smuggle the cash  
7       out of the United States are typically low-level em-  
8       ployees of large criminal organizations, and are eas-  
9       ily replaced, and therefore only the confiscation of  
10      the smuggled bulk cash can effectively break the  
11      cycle of criminal activity of which the laundering of  
12      bulk cash is a critical part;

13          (6) the penalties for violations of the currency  
14      reporting requirements of the chapter 53 of title 31,  
15      United States Code, are insufficient to provide a de-  
16      terrent to the laundering of criminal proceeds;

17          (7) because the only criminal violation under  
18      Federal law before the date of enactment of this Act  
19      was a reporting offense, the law does not adequately  
20      provide for the confiscation of smuggled currency;  
21      and

22          (8) if the smuggling of bulk cash were itself an  
23      offense, the cash could be confiscated as the corpus  
24      delicti of the smuggling offense.

25      (b) PURPOSES.—The purposes of this section are—

1           (1) to make the act of smuggling bulk cash  
2 itself a criminal offense;

3           (2) to authorize forfeiture of any cash or instru-  
4 ments of the smuggling offense;

5           (3) to emphasize the seriousness of the act of  
6 bulk cash smuggling; and

7           (4) to prescribe guidelines for determining the  
8 amount of property subject to such forfeiture in var-  
9 ious situations.

10 (c) BULK CASH SMUGGLING OFFENSE.—

11           (1) IN GENERAL.—Subchapter II of chapter 53  
12 of title 31, United States Code, is amended by add-  
13 ing at the end the following:

14 **“§ 5331. Bulk cash smuggling**

15           “(a) CRIMINAL OFFENSE.—

16           “(1) IN GENERAL.—Whoever, with the intent to  
17 evade a currency reporting requirement under sec-  
18 tion 5316, knowingly conceals more than \$10,000 in  
19 currency or other monetary instruments on his or  
20 her person or in any conveyance, article of luggage,  
21 merchandise, or other container, and transports or  
22 transfers or attempts to transport or transfer the  
23 currency or monetary instruments from a place with-  
24 in the United States to a place outside of the United  
25 States, or from a place outside of the United States

1 to a place within the United States, shall be guilty  
2 of a currency smuggling offense and subject to pun-  
3 ishment under subsection (b).

4 “(b) PENALTIES.—

5 “(1) PRISON TERM.—A person convicted of a  
6 currency smuggling offense under subsection (a), or  
7 a conspiracy to commit such an offense, shall be im-  
8 prisoned for not more than 5 years.

9 “(2) FORFEITURE.—

10 “(A) IN GENERAL.—In addition to a pris-  
11 on term under paragraph (1), the court, in im-  
12 posing sentence, shall order that the defendant  
13 forfeit to the United States any property, real  
14 or personal, involved in the offense, and any  
15 property traceable to such property, subject to  
16 subsection (d).

17 “(B) APPLICABILITY OF OTHER LAWS.—

18 The seizure, restraint, and forfeiture of prop-  
19 erty under this section shall be governed by sec-  
20 tion 413 of the Controlled Substances Act (21  
21 U.S.C. 853). If the property subject to for-  
22 feiture is unavailable, and the defendant has no  
23 substitute property that may be forfeited pursu-  
24 ant to section 413(p) of that Act, the court  
25 shall enter a personal money judgment against

1           the defendant in an amount equal to the value  
2           of the unavailable property.

3           “(c) SEIZURE OF SMUGGLING CASH.—

4           “(1) IN GENERAL.—Any property involved in a  
5           violation of subsection (a), or a conspiracy to com-  
6           mit such violation, and any property traceable there-  
7           to, may be seized and, subject to subsection (d), for-  
8           feited to the United States.

9           “(2) APPLICABLE PROCEDURES.—A seizure and  
10          forfeiture under this subsection shall be governed by  
11          the procedures governing civil forfeitures under sec-  
12          tion 981(a)(1)(A) of title 18, United States Code.

13          “(d) PROPORTIONALITY OF FORFEITURE.—

14          “(1) MITIGATION.—Upon a showing by the  
15          property owner by a preponderance of the evidence  
16          that the currency or monetary instruments involved  
17          in the offense giving rise to the forfeiture were de-  
18          rived from a legitimate source and were intended for  
19          a lawful purpose, the court shall reduce the for-  
20          feiture to the maximum amount that is not grossly  
21          disproportional to the gravity of the offense.

22          “(2) CONSIDERATIONS.—In determining the  
23          amount of the forfeiture under paragraph (1), the  
24          court shall consider all aggravating and mitigating

1 facts and circumstances that have a bearing on the  
2 gravity of the offense, including—

3 “(A) the value of the currency or other  
4 monetary instruments involved in the offense;

5 “(B) efforts by the person committing the  
6 offense to structure currency transactions, con-  
7 ceal property, or otherwise obstruct justice; and

8 “(C) whether the offense is part of a pat-  
9 tern of repeated violations of Federal law.

10 “(e) RULE OF CONSTRUCTION.—For purposes of  
11 subsections (b) and (c), any currency or other monetary  
12 instrument that is concealed or intended to be concealed  
13 in violation of subsection (a) or a conspiracy to commit  
14 such violation, any article, container, or conveyance used  
15 or intended to be used to conceal or transport the currency  
16 or other monetary instrument, and any other property  
17 used or intended to be used to facilitate the offense, shall  
18 be considered property involved in the offense.”.

19 (2) CLERICAL AMENDMENT.—The table of sections  
20 for chapter 53 of title 31, United States Code, is amended  
21 by inserting after the item relating to section 5330 the  
22 following new item:

“5331. Bulk cash smuggling.”.

23 (d) CURRENCY REPORTING VIOLATIONS.—Section  
24 5317(c) of title 31, United States Code, is amended to  
25 read as follows:

1 “(c) FORFEITURE OF PROPERTY.—

2 “(1) IN GENERAL.—

3 “(A) CRIMINAL FORFEITURE.—The court,  
4 in imposing sentence for any violation of section  
5 5313, 5316, or 5324, or any conspiracy to com-  
6 mit such violation, shall order the defendant to  
7 forfeit all property, real or personal, involved in  
8 the offense and any property traceable thereto.

9 “(B) APPLICABLE PROCEDURES.—Forfeit-  
10 ures under this paragraph shall be governed by  
11 the procedures set forth in section 413 of the  
12 Controlled Substances Act (21 U.S.C. 853),  
13 and the guidelines set forth in paragraph (3) of  
14 this subsection.

15 “(2) CIVIL FORFEITURE.—Any property in-  
16 volved in a violation of section 5313, 5316, or 5324,  
17 or any conspiracy to commit such violation, and any  
18 property traceable thereto, may be seized and, sub-  
19 ject to paragraph (3), forfeited to the United States  
20 in accordance with the procedures governing civil  
21 forfeitures in money laundering cases pursuant to  
22 section 981(a)(1)(A) of title 18, United States Code.

23 “(3) MITIGATION.—In a forfeiture case under  
24 this subsection, upon a showing by the property  
25 owner by a preponderance of the evidence that any

1 currency or monetary instruments involved in the of-  
2 fense giving rise to the forfeiture were derived from  
3 a legitimate source, and were intended for a lawful  
4 purpose, the court shall reduce the forfeiture to the  
5 maximum amount that is not grossly disproportional  
6 to the gravity of the offense. In determining the  
7 amount of the forfeiture, the court shall consider all  
8 aggravating and mitigating facts and circumstances  
9 that have a bearing on the gravity of the offense.  
10 Such circumstances include, but are not limited to,  
11 the following: the value of the currency or other  
12 monetary instruments involved in the offense; efforts  
13 by the person committing the offense to structure  
14 currency transactions, conceal property, or otherwise  
15 obstruct justice; and whether the offense is part of  
16 a pattern of repeated violations.

17 (e) CONFORMING AMENDMENTS.—Title 18, United  
18 States Code, is amended—

19 (1) in section 981(a)(1)(A) by striking “of sec-  
20 tion 5313(a) or 5324(a) of title 31, or”; and

21 (2) in section 982(a)(1), striking “of section  
22 5313(a), 5316, or 5324 of title 31, or”.

1           **Subtitle E—Anticorruption**  
2                           **Measures**

3   **SEC. 361. CORRUPTION OF FOREIGN GOVERNMENTS AND**  
4                           **RULING ELITES.**

5           It is the sense of Congress that, in deliberations be-  
6   tween the United States Government and any other coun-  
7   try on money laundering and corruption issues, the United  
8   States Government should—

9           (1) emphasize an approach that addresses not  
10   only the laundering of the proceeds of traditional  
11   criminal activity but also the increasingly endemic  
12   problem of governmental corruption and the corrup-  
13   tion of ruling elites;

14          (2) encourage the enactment and enforcement  
15   of laws in such country to prevent money laundering  
16   and systemic corruption;

17          (3) make clear that the United States will take  
18   all steps necessary to identify the proceeds of foreign  
19   government corruption which have been deposited in  
20   United States financial institutions and return such  
21   proceeds to the citizens of the country to whom such  
22   assets belong; and

23          (4) advance policies and measures to promote  
24   good government and to prevent and reduce corrup-  
25   tion and money laundering, including through in-

1 instructions to the United States Executive Director of  
2 each international financial institution (as defined in  
3 section 1701(c) of the International Financial Insti-  
4 tutions Act) to advocate such policies as a system-  
5 atic element of economic reform programs and ad-  
6 vice to member governments.

7 **SEC. 362. SUPPORT FOR THE FINANCIAL ACTION TASK**  
8 **FORCE ON MONEY LAUNDERING.**

9 It is the sense of Congress that—

10 (1) the United States should continue to ac-  
11 tively and publicly support the objectives of the Fi-  
12 nancial Action Task Force on Money Laundering  
13 (hereafter in this section referred to as the  
14 “FATF”) with regard to combating international  
15 money laundering;

16 (2) the FATF should identify noncooperative  
17 jurisdictions in as expeditious a manner as possible  
18 and publicly release a list directly naming those ju-  
19 risdictions identified;

20 (3) the United States should support the public  
21 release of the list naming noncooperative jurisdic-  
22 tions identified by the FATF;

23 (4) the United States should encourage the  
24 adoption of the necessary international action to en-

1        courage compliance by the identified noncooperative  
2        jurisdictions; and

3                (5) the United States should take the necessary  
4        countermeasures to protect the United States econ-  
5        omy against money of unlawful origin and encourage  
6        other nations to do the same.

7        **SEC. 363. TERRORIST FUNDING THROUGH MONEY LAUN-**  
8                **DERING.**

9        It is the sense of the Congress that, in deliberations  
10       and negotiations between the United States Government  
11       and any other country regarding financial, economic, as-  
12       sistance, or defense issues, the United States should en-  
13       courage such other country—

14                (1) to take actions which would identify and  
15       prevent the transmittal of funds to and from terror-  
16       ists and terrorist organizations; and

17                (2) to engage in bilateral and multilateral co-  
18       operation with the United States and other countries  
19       to identify suspected terrorists, terrorist organiza-  
20       tions, and persons supplying funds to and receiving  
21       funds from terrorists and terrorist organizations.

1       **TITLE IV—PROTECTING THE**  
2                                   **BORDER**

3                   **Subtitle A—Protecting the**  
4                                   **Northern Border**

5   **SEC. 401. ENSURING ADEQUATE PERSONNEL ON THE**  
6                                   **NORTHERN BORDER.**

7       The Attorney General is authorized to waive any  
8 FTE cap on personnel assigned to the Immigration and  
9 Naturalization Service to address the national security  
10 needs of the United States on the Northern border.

11 **SEC. 402. NORTHERN BORDER PERSONNEL.**

12       There are authorized to be appropriated—

13               (1) such sums as may be necessary to triple the  
14 number of Border Patrol personnel (from the num-  
15 ber authorized under current law), and the necessary  
16 personnel and facilities to support such personnel, in  
17 each State along the Northern Border;

18               (2) such sums as may be necessary to triple the  
19 number of Customs Service personnel (from the  
20 number authorized under current law), and the nec-  
21 essary personnel and facilities to support such per-  
22 sonnel, at ports of entry in each State along the  
23 Northern Border;

24               (3) such sums as may be necessary to triple the  
25 number of INS inspectors (from the number author-

1 ized on the date of enactment of this Act), and the  
 2 necessary personnel and facilities to support such  
 3 personnel, at ports of entry in each State along the  
 4 Northern Border; and

5 (4) an additional \$50,000,000 each to the Im-  
 6 migration and Naturalization Service and the United  
 7 States Customs Service for purposes of making im-  
 8 provements in technology for monitoring the North-  
 9 ern Border and acquiring additional equipment at  
 10 the Northern Border.

11 **SEC. 403. ACCESS BY THE DEPARTMENT OF STATE AND**  
 12 **THE INS TO CERTAIN IDENTIFYING INFORMA-**  
 13 **TION IN THE CRIMINAL HISTORY RECORDS**  
 14 **OF VISA APPLICANTS AND APPLICANTS FOR**  
 15 **ADMISSION TO THE UNITED STATES.**

16 (a) AMENDMENT OF THE IMMIGRATION AND NA-  
 17 TIONALITY ACT.—Section 105 of the Immigration and  
 18 Nationality Act (8 U.S.C. 1105) is amended—

19 (1) in the section heading, by inserting “; DATA  
 20 EXCHANGE” after “SECURITY OFFICERS”;

21 (2) by inserting “(a)” after “SEC. 105.”;

22 (3) in subsection (a), by inserting “and border”  
 23 after “internal” the second place it appears; and

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

1           “(b)(1) The Attorney General and the Director of the  
2 Federal Bureau of Investigation shall provide the Depart-  
3 ment of State and the Service access to the criminal his-  
4 tory record information contained in the National Crime  
5 Information Center’s Interstate Identification Index  
6 (NCIC-III), Wanted Persons File, and to any other files  
7 maintained by the National Crime Information Center  
8 that may be mutually agreed upon by the Attorney Gen-  
9 eral and the agency receiving the access, for the purpose  
10 of determining whether or not a visa applicant or appli-  
11 cant for admission has a criminal history record indexed  
12 in any such file.

13           “(2) Such access shall be provided by means of ex-  
14 tracts of the records for placement in the automated visa  
15 lookout or other appropriate database, and shall be pro-  
16 vided without any fee or charge.

17           “(3) The Federal Bureau of Investigation shall pro-  
18 vide periodic updates of the extracts at intervals mutually  
19 agreed upon with the agency receiving the access. Upon  
20 receipt of such updated extracts, the receiving agency shall  
21 make corresponding updates to its database and destroy  
22 previously provided extracts.

23           “(4) Access to an extract does not entitle the Depart-  
24 ment of State to obtain the full content of the cor-  
25 responding automated criminal history record. To obtain

1 the full content of a criminal history record, the Depart-  
2 ment of State shall submit the applicant's fingerprints and  
3 any appropriate fingerprint processing fee authorized by  
4 law to the Criminal Justice Information Services Division  
5 of the Federal Bureau of Investigation.

6       “(c) The provision of the extracts described in sub-  
7 section (b) may be reconsidered by the Attorney General  
8 and the receiving agency upon the development and de-  
9 ployment of a more cost-effective and efficient means of  
10 sharing the information.

11       “(d) For purposes of administering this section, the  
12 Department of State shall, prior to receiving access to  
13 NCIC data but not later than 4 months after the date  
14 of enactment of this subsection, promulgate final  
15 regulations—

16               “(1) to implement procedures for the taking of  
17 fingerprints; and

18               “(2) to establish the conditions for the use of  
19 the information received from the Federal Bureau of  
20 Investigation, in order—

21                       “(A) to limit the redissemination of such  
22 information;

23                       “(B) to ensure that such information is  
24 used solely to determine whether or not to issue

1 a visa to an alien or to admit an alien to the  
2 United States;

3 “(C) to ensure the security, confidentiality,  
4 and destruction of such information; and

5 “(D) to protect any privacy rights of indi-  
6 viduals who are subjects of such information.”.

7 (b) REPORTING REQUIREMENT.—Not later than 2  
8 years after the date of enactment of this Act, the Attorney  
9 General and the Secretary of State jointly shall report to  
10 Congress on the implementation of the amendments made  
11 by this section.

12 (c) TECHNOLOGY STANDARD TO CONFIRM IDEN-  
13 TITY.—

14 (1) IN GENERAL.—The Attorney General and  
15 the Secretary of State jointly, through the National  
16 Institute of Standards and Technology (NIST), and  
17 in consultation with the Secretary of the Treasury  
18 and other Federal law enforcement and intelligence  
19 agencies the Attorney General or Secretary of State  
20 deems appropriate, shall within 2 years after the  
21 date of enactment of this section, develop and certify  
22 a technology standard that can confirm the identity  
23 of a person applying for a United States visa or  
24 such person seeking to enter the United States pur-  
25 suant to a visa.

1           (2) INTEGRATED.—The technology standard de-  
2           veloped pursuant to paragraph (1), shall be the tech-  
3           nological basis for a cross-agency, cross-platform  
4           electronic system that is a cost-effective, efficient,  
5           fully integrated means to share law enforcement and  
6           intelligence information necessary to confirm the  
7           identity of such persons applying for a United States  
8           visa or such person seeking to enter the United  
9           States pursuant to a visa.

10           (3) ACCESSIBLE.—The electronic system de-  
11           scribed in paragraph (2), once implemented, shall be  
12           readily and easily accessible to—

13                   (A) all consular officers responsible for the  
14                   issuance of visas;

15                   (B) all Federal inspection agents at all  
16                   United States border inspection points; and

17                   (C) all law enforcement and intelligence of-  
18                   ficers as determined by regulation to be respon-  
19                   sible for investigation or identification of aliens  
20                   admitted to the United States pursuant to a  
21                   visa.

22           (4) REPORT.—Not later than 18 months after  
23           the date of enactment of this Act, and every 2 years  
24           thereafter, the Attorney General and the Secretary  
25           of State shall jointly, in consultation with the Sec-

1       retary of Treasury, report to Congress describing  
2       the development, implementation and efficacy of the  
3       technology standard and electronic database system  
4       described in this subsection.

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 **POINTS 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 by that person from the United  
25 States.

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 redesi-  
23 gnated 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 clauses (vi)(I)  
18 or (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 clauses (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 clauses (vi)(I)  
12                  or (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 (D) 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 it engages in  
21 the activities described in subclause  
22 (I), (II), or (III) of clause (iv), or that  
23 it provides material support to further  
24 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            AMENDMENT.—Section  
19                  237(a)(4)(B) of the Immigration and Nationality Act (8  
20                  U.S.C. 1227(a)(4)(B)) is amended by striking “section  
21                  212(a)(3)(B)(iii)”           and           inserting           “section  
22                  212(a)(3)(B)(iv)”.

23                  (c) RETROACTIVE APPLICATION OF AMENDMENTS.—

24                  (1) IN GENERAL.—Except as otherwise pro-  
25                  vided in this subsection, the amendments made by

1 this section shall take effect on the date of enact-  
2 ment of this Act and shall apply to—

3 (A) actions taken by an alien before, on, or  
4 after such date; and

5 (B) all aliens, without regard to the date  
6 of entry or attempted entry into the United  
7 States—

8 (i) in removal proceedings on or after  
9 such date (except for proceedings in which  
10 there has been a final administrative deci-  
11 sion before such date); or

12 (ii) seeking admission to the United  
13 States on or after such date.

14 (2) SPECIAL RULE FOR ALIENS IN EXCLUSION  
15 OR DEPORTATION PROCEEDINGS.—Notwithstanding  
16 any other provision of law, the amendments made by  
17 this section shall apply to all aliens in exclusion or  
18 deportation proceedings on or after the date of en-  
19 actment of this Act (except for proceedings in which  
20 there has been a final administrative decision before  
21 such date) as if such proceedings were removal pro-  
22 ceedings.

23 (3) SPECIAL RULE FOR SECTION 219 ORGANIZA-  
24 TIONS AND ORGANIZATIONS DESIGNATED UNDER  
25 SECTION 212(a)(3)(B)(vi)(II).—

1           (A) IN GENERAL.—Notwithstanding para-  
2           graphs (1) and (2), no alien shall be considered  
3           inadmissible under section 212(a)(3) of the Im-  
4           migration and Nationality Act (8 U.S.C.  
5           1182(a)(3)), or deportable under section  
6           237(a)(4)(B) of such Act (8 U.S.C.  
7           1227(a)(4)(B)), by reason of the amendments  
8           made by subsection (a), on the ground that the  
9           alien engaged in a terrorist activity described in  
10          subclause (IV)(bb), (V)(bb), or (VI)(cc) of sec-  
11          tion 212(a)(3)(B)(iv) of such Act (as so amend-  
12          ed) with respect to a group at any time when  
13          the group was not a terrorist organization des-  
14          ignated by the Secretary of State under section  
15          219 of such Act (8 U.S.C. 1189) or otherwise  
16          designated under section 212(a)(3)(B)(vi)(II).

17          (B) STATUTORY CONSTRUCTION.—Sub-  
18          paragraph (A) shall not be construed to prevent  
19          an alien from being considered inadmissible or  
20          deportable for having engaged in a terrorist  
21          activity—

22                 (i) described in subclause (IV)(bb),  
23                 (V)(bb), or (VI)(cc) of section  
24                 212(a)(3)(B)(iv) of such Act (as so amend-  
25                 ed) with respect to a terrorist organization

1 at any time when such organization was  
2 designated by the Secretary of State under  
3 section 219 of such Act or otherwise des-  
4 ignated under section 212(a)(3)(B)(vi)(II);  
5 or

6 (ii) described in subclause (IV)(cc),  
7 (V)(cc), or (VI)(dd) of section  
8 212(a)(3)(B)(iv) of such Act (as so amend-  
9 ed) with respect to a terrorist organization  
10 described in section 212(a)(3)(B)(vi)(III).

11 (4) EXCEPTION.—The Secretary of State, in  
12 consultation with the Attorney General, may deter-  
13 mine that the amendments made by this section  
14 shall not apply with respect to actions by an alien  
15 taken outside the United States before the date of  
16 enactment of this Act upon the recommendation of  
17 a consular officer who has concluded that there is  
18 not reasonable ground to believe that the alien knew  
19 or reasonably should have known that the actions  
20 would further a terrorist activity.

21 (c) DESIGNATION OF FOREIGN TERRORIST ORGANI-  
22 ZATIONS.—Section 219(a) of the Immigration and Nation-  
23 ality Act (8 U.S.C. 1189(a)) is amended—

24 (1) in paragraph (1)(B), by inserting “or ter-  
25 rorism (as defined in section 140(d)(2) of the For-

1       eign Relations Authorization Act, Fiscal Years 1988  
2       and 1989 (22 U.S.C. 2656f(d)(2)) or retains the ca-  
3       pability and intent to engage in terrorist activity or  
4       terrorism)” after “212(a)(3)(B))”;

5               (2) in paragraph (1)(C), by inserting “or ter-  
6       rorism” after “terrorist activity”;

7               (3) by amending paragraph (2)(A) to read as  
8       follows:

9               “(A) NOTICE.—

10               “(i) TO CONGRESSIONAL LEADERS.—

11               Seven days before making a designation  
12               under this subsection, the Secretary shall,  
13               by classified communication, notify the  
14               Speaker and Minority Leader of the House  
15               of Representatives, the President pro tem-  
16               pore, Majority Leader, and Minority Lead-  
17               er of the Senate, and the members of the  
18               relevant committees, in writing, of the in-  
19               tent to designate an organization under  
20               this subsection, together with the findings  
21               made under paragraph (1) with respect to  
22               that organization, and the factual basis  
23               therefor.

24               “(ii) PUBLICATION IN FEDERAL REG-  
25               ISTER.—The Secretary shall publish the

1 designation in the Federal Register seven  
2 days after providing the notification under  
3 clause (i).”;

4 (4) in paragraph (2)(B)(i), by striking “sub-  
5 paragraph (A)” and inserting “subparagraph  
6 (A)(ii)”;

7 (5) in paragraph (2)(C), by striking “paragraph  
8 (2)” and inserting “paragraph (2)(A)(i)”;

9 (6) in paragraph (3)(B), by striking “sub-  
10 section (c)” and inserting “subsection (b)”;

11 (7) in paragraph (4)(B), by inserting after the  
12 first sentence the following: “The Secretary also may  
13 redesignate such organization at the end of any 2-  
14 year redesignation period (but not sooner than 60  
15 days prior to the termination of such period) for an  
16 additional 2-year period upon a finding that the rel-  
17 evant circumstances described in paragraph (1) still  
18 exist. Any redesignation shall be effective imme-  
19 diately following the end of the prior 2-year designa-  
20 tion or redesignation period unless a different effec-  
21 tive date is provided in such redesignation.”;

22 (8) in paragraph (6)(A)—

23 (A) by inserting “or a redesignation made  
24 under paragraph (4)(B)” after “paragraph  
25 (1)”;

1 (B) in clause (i)—

2 (i) by inserting “or redesignation”  
3 after “designation” the first place it ap-  
4 pears; and

5 (ii) by striking “of the designation”;  
6 and

7 (C) in clause (ii), by striking “of the des-  
8 igation”;

9 (9) in paragraph (6)(B)—

10 (A) by striking “through (4)” and insert-  
11 ing “and (3)”; and

12 (B) by inserting at the end the following  
13 new sentence: “Any revocation shall take effect  
14 on the date specified in the revocation or upon  
15 publication in the Federal Register if no effec-  
16 tive date is specified.”;

17 (10) in paragraph (7), by inserting “, or the  
18 revocation of a redesignation under paragraph (6),”  
19 after “paragraph (5) or (6)”; and

20 (11) in paragraph (8)—

21 (A) by striking “paragraph (1)(B)” and  
22 inserting “paragraph (2)(B), or if a redesigna-  
23 tion under this subsection has become effective  
24 under paragraph (4)(B)”;

1 (B) by inserting “or an alien in a removal  
2 proceeding” after “criminal action”; and

3 (C) by inserting “or redesignation” before  
4 “as a defense”.

5 **SEC. 412. MANDATORY DETENTION OF SUSPECTED TER-**  
6 **RORISTS; HABEAS CORPUS; JUDICIAL RE-**  
7 **VIEW.**

8 (a) IN GENERAL.—The Immigration and Nationality  
9 Act (8 U.S.C. 1101 et seq.) is amended by inserting after  
10 section 236 the following:

11 “MANDATORY DETENTION OF SUSPECTED  
12 TERRORISTS; HABEAS CORPUS; JUDICIAL REVIEW  
13 “SEC. 236A. (a) DETENTION OF TERRORIST  
14 ALIENS.—

15 “(1) CUSTODY.—The Attorney General shall  
16 take into custody any alien who is certified under  
17 paragraph (3).

18 “(2) RELEASE.—Except as provided in para-  
19 graph (5), the Attorney General shall maintain cus-  
20 tody of such an alien until the alien is removed from  
21 the United States. Such custody shall be maintained  
22 irrespective of any relief from removal for which the  
23 alien may be eligible, or any relief from removal  
24 granted the alien, until the Attorney General deter-  
25 mines that the alien is no longer an alien who may  
26 be certified under paragraph (3).

1           “(3) CERTIFICATION.—The Attorney General  
2           may certify an alien under this paragraph if the At-  
3           torney General has reasonable grounds to believe  
4           that the alien—

5                   “(A) is described in section  
6                   212(a)(3)(A)(i),                   212(a)(3)(A)(iii),  
7                   212(a)(3)(B),                   237(a)(4)(A)(i),  
8                   237(a)(4)(A)(iii), or 237(a)(4)(B); or

9                   “(B) is engaged in any other activity that  
10                  endangers the national security of the United  
11                  States.

12           “(4) NONDELEGATION.—The Attorney General  
13           may delegate the authority provided under para-  
14           graph (3) only to the Commissioner. The Commis-  
15           sioner may not delegate such authority.

16           “(5) COMMENCEMENT OF PROCEEDINGS.—The  
17           Attorney General shall place an alien detained under  
18           paragraph (1) in removal proceedings, or shall  
19           charge the alien with a criminal offense, not later  
20           than 7 days after the commencement of such deten-  
21           tion. If the requirement of the preceding sentence is  
22           not satisfied, the Attorney General shall release the  
23           alien.

24           “(b) HABEAS CORPUS AND JUDICIAL REVIEW.—Ju-  
25           dicial review of any action or decision relating to this sec-

1 tion (including judicial review of the merits of a deter-  
2 mination made under subsection (a)(3)) is available exclu-  
3 sively in habeas corpus proceedings in the United States  
4 District Court for the District of Columbia. Notwith-  
5 standing any other provision of law, including section  
6 2241 of title 28, United States Code, except as provided  
7 in the preceding sentence, no court shall have jurisdiction  
8 to review, by habeas corpus petition or otherwise, any such  
9 action or decision.

10 “(c) STATUTORY CONSTRUCTION.—The provisions of  
11 this section shall not be applicable to any other provisions  
12 of the Immigration and Nationality Act.”.

13 (b) CLERICAL AMENDMENT.—The table of contents  
14 of the Immigration and Nationality Act is amended by in-  
15 serting after the item relating to section 236 the following:

“Sec. 236A. Mandatory detention of suspected terrorist; habeas corpus; judicial  
review.”.

16 (c) REPORTS.—Not later than 6 months after the  
17 date of the enactment of this Act, and every 6 months  
18 thereafter, the Attorney General shall submit a report to  
19 the Committee on the Judiciary of the House of Rep-  
20 resentatives and the Committee on the Judiciary of the  
21 Senate, with respect to the reporting period, on—

22 (1) the number of aliens certified under section  
23 236A(a)(3) of the Immigration and Nationality Act,  
24 as added by subsection (a);

- 1 (2) the grounds for such certifications;
- 2 (3) the nationalities of the aliens so certified;
- 3 (4) the length of the detention for each alien so
- 4 certified; and
- 5 (5) the number of aliens so certified who—
  - 6 (A) were granted any form of relief from
  - 7 removal;
  - 8 (B) were removed;
  - 9 (C) the Attorney General has determined
  - 10 are no longer aliens who may be so certified; or
  - 11 (D) were released from detention.

12 **SEC. 413. MULTILATERAL COOPERATION AGAINST TERROR-**  
13 **ISTS.**

14 Section 222(f) of the Immigration and Nationality  
15 Act (8 U.S.C. 1202(f)) is amended—

16 (1) by striking “except that in the discretion  
17 of” and inserting the following: “except that—

18 “(1) in the discretion of”; and

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

20 “(2) the Secretary of State, in the Secretary’s  
21 discretion and on the basis of reciprocity, may pro-  
22 vide to a foreign government information in the De-  
23 partment of State’s computerized visa lookout data-  
24 base and, when necessary and appropriate, other

1 records covered by this section related to informa-  
 2 tion in the database—

3 “(A) with regard to individual aliens, at  
 4 any time on a case-by-case basis for the pur-  
 5 pose of preventing, investigating, or punishing  
 6 acts that would constitute a crime in the United  
 7 States, including, but not limited to, terrorism  
 8 or trafficking in controlled substances, persons,  
 9 or illicit weapons; or

10 “(B) with regard to any or all aliens in the  
 11 database, pursuant to such conditions as the  
 12 Secretary of State shall establish in an agree-  
 13 ment with the foreign government in which that  
 14 government agrees to use such information and  
 15 records for the purposes described in subpara-  
 16 graph (A) or to deny visas to persons who  
 17 would be inadmissible to the United States.”.

18 **TITLE V—REMOVING OBSTA-**  
 19 **CLES TO INVESTIGATING**  
 20 **TERRORISM**

21 **SEC. 501. PROFESSIONAL STANDARDS FOR GOVERNMENT**

22 **ATTORNEYS ACT OF 2001.**

23 (a) **SHORT TITLE.**—This title may be cited as the  
 24 “Professional Standards for Government Attorneys Act of  
 25 2001”.

1 (b) PROFESSIONAL STANDARDS FOR GOVERNMENT  
2 ATTORNEYS.—Section 530B of title 28, United States  
3 Code, is amended to read as follows:

4 **“§ 530B. Professional Standards for Government At-**  
5 **torneys**

6 “(a) DEFINITIONS.—In this section:

7 “(1) GOVERNMENT ATTORNEY.—The term  
8 ‘Government attorney’—

9 “(A) means the Attorney General; the  
10 Deputy Attorney General; the Solicitor General;  
11 the Associate Attorney General; the head of,  
12 and any attorney employed in, any division, of-  
13 fice, board, bureau, component, or agency of  
14 the Department of Justice; any United States  
15 Attorney; any Assistant United States Attorney;  
16 any Special Assistant to the Attorney General  
17 or Special Attorney appointed under section  
18 515; any Special Assistant United States Attor-  
19 ney appointed under section 543 who is author-  
20 ized to conduct criminal or civil law enforce-  
21 ment investigations or proceedings on behalf of  
22 the United States; any other attorney employed  
23 by the Department of Justice who is authorized  
24 to conduct criminal or civil law enforcement  
25 proceedings on behalf of the United States; any

1 independent counsel, or employee of such coun-  
2 sel, appointed under chapter 40; and any out-  
3 side special counsel, or employee of such coun-  
4 sel, as may be duly appointed by the Attorney  
5 General; and

6 “(B) does not include any attorney em-  
7 ployed as an investigator or other law enforce-  
8 ment agent by the Department of Justice who  
9 is not authorized to represent the United States  
10 in criminal or civil law enforcement litigation or  
11 to supervise such proceedings.

12 “(2) STATE.—The term ‘State’ includes a Ter-  
13 ritory and the District of Columbia.

14 “(b) CHOICE OF LAW.—Subject to any uniform na-  
15 tional rule prescribed by the Supreme Court under chapter  
16 131, the standards of professional responsibility that  
17 apply to a Government attorney with respect to the attor-  
18 ney’s work for the Government shall be—

19 “(1) for conduct in connection with a pro-  
20 ceeding in or before a court, or conduct reasonably  
21 intended to lead to a proceeding in or before a court,  
22 the standards of professional responsibility estab-  
23 lished by the rules and decisions of the court in or  
24 before which the proceeding is brought or is in-  
25 tended to be brought;

1           “(2) for conduct in connection with a grand  
2 jury proceeding, or conduct reasonably intended to  
3 lead to a grand jury proceeding, the standards of  
4 professional responsibility established by the rules  
5 and decisions of the court under whose authority the  
6 grand jury was or will be impaneled; and

7           “(3) for all other conduct, the standards of pro-  
8 fessional responsibility established by the rules and  
9 decisions of the Federal district court for the judicial  
10 district in which the attorney principally performs  
11 his or her official duties.

12       “(c) LICENSURE.—A Government attorney (except  
13 foreign counsel employed in special cases)—

14           “(1) shall be duly licensed and authorized to  
15 practice as an attorney under the laws of a State;  
16 and

17           “(2) shall not be required to be a member of  
18 the bar of any particular State.

19       “(d) UNDERCOVER ACTIVITIES.—Notwithstanding  
20 any provision of State law, including disciplinary rules,  
21 statutes, regulations, constitutional provisions, or case  
22 law, a Government attorney may, for the purpose of en-  
23 forcing Federal law, provide legal advice, authorization,  
24 concurrence, direction, or supervision on conducting un-  
25 dercover activities, and any attorney employed as an inves-

1 tigator or other law enforcement agent by the Department  
2 of Justice who is not authorized to represent the United  
3 States in criminal or civil law enforcement litigation or  
4 to supervise such proceedings may participate in such ac-  
5 tivities, even though such activities may require the use  
6 of deceit or misrepresentation, where such activities are  
7 consistent with Federal law.

8 “(e) ADMISSIBILITY OF EVIDENCE.—No violation of  
9 any disciplinary, ethical, or professional conduct rule shall  
10 be construed to permit the exclusion of otherwise admis-  
11 sible evidence in any Federal criminal proceedings.

12 “(f) RULEMAKING AUTHORITY.—The Attorney Gen-  
13 eral shall make and amend rules of the Department of  
14 Justice to ensure compliance with this section.”.

15 (c) TECHNICAL AND CONFORMING AMENDMENT.—  
16 The analysis for chapter 31 of title 28, United States  
17 Code, is amended, in the item relating to section 530B,  
18 by striking “Ethical standards for attorneys for the Gov-  
19 ernment” and inserting “Professional standards for Gov-  
20 ernment attorneys”.

21 (d) REPORTS.—

22 (1) UNIFORM RULE.—In order to encourage the  
23 Supreme Court to prescribe, under chapter 131 of  
24 title 28, United States Code, a uniform national rule  
25 for Government attorneys with respect to commu-

1       nications with represented persons and parties, not  
2       later than 1 year after the date of enactment of this  
3       Act, the Judicial Conference of the United States  
4       shall submit to the Chief Justice of the United  
5       States a report, which shall include recommenda-  
6       tions with respect to amending the Federal Rules of  
7       Practice and Procedure to provide for such a uni-  
8       form national rule.

9               (2) ACTUAL OR POTENTIAL CONFLICTS.—Not  
10       later than 2 years after the date of enactment of  
11       this Act, the Judicial Conference of the United  
12       States shall submit to the Chairmen and Ranking  
13       Members of the Committees on the Judiciary of the  
14       House of Representatives and the Senate a report,  
15       which shall include—

16                   (A) a review of any areas of actual or po-  
17                   tential conflict between specific Federal duties  
18                   related to the investigation and prosecution of  
19                   violations of Federal law and the regulation of  
20                   Government attorneys (as that term is defined  
21                   in section 530B of title 28, United States Code,  
22                   as amended by this Act) by existing standards  
23                   of professional responsibility; and

24                   (B) recommendations with respect to  
25                   amending the Federal Rules of Practice and

1 Procedure to provide for additional rules gov-  
2 erning attorney conduct to address any areas of  
3 actual or potential conflict identified pursuant  
4 to the review under subparagraph (A).

5 (3) REPORT CONSIDERATIONS.—In carrying out  
6 paragraphs (1) and (2), the Judicial Conference of  
7 the United States shall take into consideration—

8 (A) the needs and circumstances of  
9 multiform and multijurisdictional litigation;

10 (B) the special needs and interests of the  
11 United States in investigating and prosecuting  
12 violations of Federal criminal and civil law; and

13 (C) practices that are approved under Fed-  
14 eral statutory or case law or that are otherwise  
15 consistent with traditional Federal law enforce-  
16 ment techniques.

17 **SEC. 502. ATTORNEY GENERAL'S AUTHORITY TO PAY RE-**  
18 **WARDS TO COMBAT TERRORISM.**

19 (a) PAYMENT OF REWARDS TO COMBAT TER-  
20 RORISM.—Funds available to the Attorney General may  
21 be used for the payment of rewards pursuant to public  
22 advertisements for assistance to the Department of Jus-  
23 tice to combat terrorism and defend the Nation against  
24 terrorist acts, in accordance with procedures and regula-  
25 tions established or issued by the Attorney General.

1 (b) CONDITIONS.—In making rewards under this  
2 section—

3 (1) no such reward of \$250,000 or more may  
4 be made or offered without the personal approval of  
5 either the Attorney General or the President;

6 (2) the Attorney General shall give written no-  
7 tice to the Chairmen and ranking minority members  
8 of the Committees on Appropriations and the Judici-  
9 ary of the Senate and of the House of Representa-  
10 tives not later than 30 days after the approval of a  
11 reward under paragraph (1);

12 (3) any executive agency or military department  
13 (as defined, respectively, in sections 105 and 102 of  
14 title 5, United States Code) may provide the Attor-  
15 ney General with funds for the payment of rewards;

16 (4) neither the failure of the Attorney General  
17 to authorize a payment nor the amount authorized  
18 shall be subject to judicial review; and

19 (5) no such reward shall be subject to any per-  
20 or aggregate reward spending limitation established  
21 by law, unless that law expressly refers to this sec-  
22 tion, and no reward paid pursuant to any such offer  
23 shall count toward any such aggregate reward  
24 spending limitation.

1 **SEC. 503. SECRETARY OF STATE'S AUTHORITY TO PAY RE-**  
2 **WARDS.**

3 Section 36 of the State Department Basic Authorities  
4 Act of 1956 (Public Law 885, August 1, 1956; 22 U.S.C.  
5 2708) is amended—

6 (1) in subsection (b)—

7 (A) in paragraph (4), by striking “or” at  
8 the end;

9 (B) in paragraph (5), by striking the pe-  
10 riod at the end and inserting “, including by  
11 dismantling an organization in whole or signifi-  
12 cant part; or”; and

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

14 “(6) the identification or location of an indi-  
15 vidual who holds a key leadership position in a ter-  
16 rorist organization.”;

17 (2) in subsection (d), by striking paragraphs  
18 (2) and (3) and redesignating paragraph (4) as  
19 paragraph (2); and

20 (3) in subsection (e)(1), by inserting “, except  
21 as personally authorized by the Secretary of State if  
22 he determines that offer or payment of an award of  
23 a larger amount is necessary to combat terrorism or  
24 defend the Nation against terrorist acts.” after  
25 “\$5,000,000”.

1 **SEC. 504. DNA IDENTIFICATION OF TERRORISTS AND**  
2 **OTHER VIOLENT OFFENDERS.**

3 Section 3(d)(2) of the DNA Analysis Backlog Elimination Act of 2000 (42 U.S.C. 14135a(d)(2)) is amended  
4 to read as follows:  
5

6 “(2) In addition to the offenses described in  
7 paragraph (1), the following offenses shall be treated  
8 for purposes of this section as qualifying Federal offenses, as determined by the Attorney General:  
9

10 “(A) Any offense listed in section  
11 2332b(g)(5)(B) of title 18, United States Code.

12 “(B) Any crime of violence (as defined in  
13 section 16 of title 18, United States Code).

14 “(C) Any attempt or conspiracy to commit  
15 any of the above offenses.”.

16 **SEC. 505. COORDINATION WITH LAW ENFORCEMENT.**

17 (a) INFORMATION ACQUIRED FROM AN ELECTRONIC  
18 SURVEILLANCE.—Section 106 of the Foreign Intelligence  
19 Surveillance Act of 1978 (50 U.S.C. 1806), is amended  
20 by adding at the end the following:

21 “(k)(1) Federal officers who conduct electronic surveillance to acquire foreign intelligence information under  
22 this title may consult with Federal law enforcement officers to coordinate efforts to investigate or protect  
23 against—  
24  
25

1           “(A) actual or potential attack or other grave  
2 hostile acts of a foreign power or an agent of a for-  
3 eign power;

4           “(B) sabotage or international terrorism by a  
5 foreign power or an agent of a foreign power; or

6           “(C) clandestine intelligence activities by an in-  
7 telligence service or network of a foreign power or by  
8 an agent of a foreign power.

9           “(2) Coordination authorized under paragraph (1)  
10 shall not preclude the certification required by section  
11 104(a)(7)(B) or the entry of an order under section 105.”.

12           (b) INFORMATION ACQUIRED FROM A PHYSICAL  
13 SEARCH.—Section 305 of the Foreign Intelligence Surveil-  
14 lance Act of 1978 (50 U.S.C. 1825) is amended by adding  
15 at the end the following:

16           “(k)(1) Federal officers who conduct physical  
17 searches to acquire foreign intelligence information under  
18 this title may consult with Federal law enforcement offi-  
19 cers to coordinate efforts to investigate or protect  
20 against—

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

24           “(B) sabotage or international terrorism by a  
25 foreign power or an agent of a foreign power; or



1 United States person is not conducted solely on  
2 the basis of activities protected by the first  
3 amendment to the Constitution of the United  
4 States; and”;

5 (3) in paragraph (2)—

6 (A) by striking “in a position not lower  
7 than Deputy Assistant Director”;

8 (B) by striking “made that” and all that  
9 follows and inserting the following: “made that  
10 the information sought is relevant to an author-  
11 ized investigation to protect against inter-  
12 national terrorism or clandestine intelligence ac-  
13 tivities, provided that such an investigation of a  
14 United States person is not conducted solely  
15 upon the basis of activities protected by the  
16 first amendment to the Constitution of the  
17 United States.”.

18 (b) FINANCIAL RECORDS.—Section 1114(a)(5)(A) of  
19 the Right to Financial Privacy Act of 1978 (12 U.S.C.  
20 3414(a)(5)(A)) is amended—

21 (1) by inserting “in a position not lower than  
22 Deputy Assistant Director at Bureau headquarters  
23 or a Special Agent in Charge in a Bureau field office  
24 designated by the Director” after “designee”;

1           (2) by striking “sought” and all that follows  
2           and inserting “sought for foreign counter intel-  
3           ligence purposes to protect against international ter-  
4           rorism or clandestine intelligence activities, provided  
5           that such an investigation of a United States person  
6           is not conducted solely upon the basis of activities  
7           protected by the first amendment to the Constitution  
8           of the United States.”.

9           (c) CONSUMER REPORTS.—Section 624 of the Fair  
10          Credit Reporting Act (15 U.S.C. 1681u) is amended—

11           (1) in subsection (a)—

12           (A) by inserting “in a position not lower  
13           than Deputy Assistant Director at Bureau  
14           headquarters or a Special Agent in Charge of a  
15           Bureau field office designated by the Director”  
16           after “designee” the first place it appears; and

17           (B) by striking “in writing that” and all  
18           that follows through the end and inserting the  
19           following: “in writing, that such information is  
20           sought for the conduct of an authorized inves-  
21           tigation to protect against international ter-  
22           rorism or clandestine intelligence activities, pro-  
23           vided that such an investigation of a United  
24           States person is not conducted solely upon the  
25           basis of activities protected by the first amend-

1 ment to the Constitution of the United  
2 States.”;

3 (2) in subsection (b)—

4 (A) by inserting “in a position not lower  
5 than Deputy Assistant Director at Bureau  
6 headquarters or a Special Agent in Charge of a  
7 Bureau field office designated by the Director”  
8 after “designee” the first place it appears; and

9 (B) by striking “in writing that” and all  
10 that follows through the end and inserting the  
11 following: “in writing that such information is  
12 sought for the conduct of an authorized inves-  
13 tigation to protect against international ter-  
14 rorism or clandestine intelligence activities, pro-  
15 vided that such an investigation of a United  
16 States person is not conducted solely upon the  
17 basis of activities protected by the first amend-  
18 ment to the Constitution of the United  
19 States.”; and

20 (3) in subsection (c)—

21 (A) by inserting “in a position not lower  
22 than Deputy Assistant Director at Bureau  
23 headquarters or a Special Agent in Charge in a  
24 Bureau field office designated by the Director”  
25 after “designee of the Director”; and

1           (B) by striking “in camera that” and all  
2           that follows through “States.” and inserting the  
3           following: “in camera that the consumer report  
4           is sought for the conduct of an authorized in-  
5           vestigation to protect against international ter-  
6           rorism or clandestine intelligence activities, pro-  
7           vided that such an investigation of a United  
8           States person is not conducted solely upon the  
9           basis of activities protected by the first amend-  
10          ment to the Constitution of the United  
11          States.”.

12 **SEC. 507. EXTENSION OF SECRET SERVICE JURISDICTION.**

13           (a) CONCURRENT JURISDICTION UNDER 18 U.S.C.  
14 1030.—Section 1030(d) of title 18, United States Code,  
15 is amended to read as follows:

16           “(d)(1) The United States Secret Service shall, in ad-  
17 dition to any other agency having such authority, have the  
18 authority to investigate offenses under this section.

19           “(2) The Federal Bureau of Investigation shall have  
20 primary authority to investigate offenses under subsection  
21 (a)(1) for any cases involving espionage, foreign counter-  
22 intelligence, information protected against unauthorized  
23 disclosure for reasons of national defense or foreign rela-  
24 tions, or Restricted Data (as that term is defined in sec-  
25 tion 11y of the Atomic Energy Act of 1954 (42 U.S.C.

1 2014(y)), except for offenses affecting the duties of the  
2 United States Secret Service pursuant to section 3056(a)  
3 of this title.

4 “(3) Such authority shall be exercised in accordance  
5 with an agreement which shall be entered into by the Sec-  
6 retary of the Treasury and the Attorney General.”.

7 (b) REAUTHORIZATION OF JURISDICTION UNDER 18  
8 U.S.C. 1344.—Section 3056(b)(3) of title 18, United  
9 States Code, is amended by striking “credit and debit card  
10 frauds, and false identification documents or devices” and  
11 inserting “access device frauds, false identification docu-  
12 ments or devices, and any fraud or other criminal or un-  
13 lawful activity in or against any federally insured financial  
14 institution”.

15 **SEC. 508. DISCLOSURE OF EDUCATIONAL RECORDS.**

16 Section 444 of the General Education Provisions Act  
17 (20 U.S.C. 1232g), is amended by adding after subsection  
18 (i) a new subsection (j) to read as follows:

19 “(j) INVESTIGATION AND PROSECUTION OF TER-  
20 RORISM.—

21 “(1) IN GENERAL.—Notwithstanding sub-  
22 sections (a) through (i) or any provision of State  
23 law, the Attorney General (or any Federal officer or  
24 employee, in a position not lower than an Assistant  
25 Attorney General, designated by the Attorney Gen-

1       eral) may submit a written application to a court of  
2       competent jurisdiction for an ex parte order requir-  
3       ing an educational agency or institution to permit  
4       the Attorney General (or his designee) to—

5               “(A) collect education records in the pos-  
6               session of the educational agency or institution  
7               that are relevant to an authorized investigation  
8               or prosecution of an offense listed in section  
9               2332b(g)(5)(B) of title 18 United States Code,  
10              or an act of domestic or international terrorism  
11              as defined in section 2331 of that title; and

12             “(B) for official purposes related to the in-  
13             vestigation or prosecution of an offense de-  
14             scribed in paragraph (1)(A), retain, dissemi-  
15             nate, and use (including as evidence at trial or  
16             in other administrative or judicial proceedings)  
17             such records, consistent with such guidelines as  
18             the Attorney General, after consultation with  
19             the Secretary, shall issue to protect confiden-  
20             tiality.

21             “(2) APPLICATION AND APPROVAL.—

22             “(A) IN GENERAL.—An application under  
23             paragraph (1) shall certify that there are spe-  
24             cific and articulable facts giving reason to be-  
25             lieve that the education records are likely to

1 contain information described in paragraph  
2 (1)(A).

3 “(B) The court shall issue an order de-  
4 scribed in paragraph (1) if the court finds that  
5 the application for the order includes the certifi-  
6 cation described in subparagraph (A).

7 “(3) PROTECTION OF EDUCATIONAL AGENCY  
8 OR INSTITUTION.—An educational agency or institu-  
9 tion that, in good faith, produces education records  
10 in accordance with an order issued under this sub-  
11 section shall not be liable to any person for that pro-  
12 duction.

13 “(4) RECORD-KEEPING.—Subsection (b)(4)  
14 does not apply to education records subject to a  
15 court order under this subsection.”.

16 **SEC. 509. DISCLOSURE OF INFORMATION FROM NCES SUR-**  
17 **VEYS.**

18 Section 408 of the National Education Statistics Act  
19 of 1994 (20 U.S.C. 9007), is amended by adding after  
20 subsection (b) a new subsection (c) to read as follows:

21 “(c) INVESTIGATION AND PROSECUTION OF TER-  
22 RORISM.—

23 “(1) IN GENERAL.—Notwithstanding sub-  
24 sections (a) and (b), the Attorney General (or any  
25 Federal officer or employee, in a position not lower

1 than an Assistant Attorney General, designated by  
2 the Attorney General) may submit a written applica-  
3 tion to a court of competent jurisdiction for an ex  
4 parte order requiring the Secretary to permit the At-  
5 torney General (or his designee) to—

6 “(A) collect reports, records, and informa-  
7 tion (including individually identifiable informa-  
8 tion) in the possession of the center that are  
9 relevant to an authorized investigation or pros-  
10 ecution of an offense listed in section  
11 2332b(g)(5)(B) of title 18, United States Code,  
12 or an act of domestic or international terrorism  
13 as defined in section 2331 of that title; and

14 “(B) for official purposes related to the in-  
15 vestigation or prosecution of an offense de-  
16 scribed in paragraph (1)(A), retain, dissemi-  
17 nate, and use (including as evidence at trial or  
18 in other administrative or judicial proceedings)  
19 such information, consistent with such guide-  
20 lines as the Attorney General, after consultation  
21 with the Secretary, shall issue to protect con-  
22 fidentiality.

23 “(2) APPLICATION AND APPROVAL.—

24 “(A) IN GENERAL.—An application under  
25 paragraph (1) shall certify that there are spe-

1           cific and articulable facts giving reason to be-  
 2           lieve that the information sought is described in  
 3           paragraph (1)(A).

4           “(B) The court shall issue an order de-  
 5           scribed in paragraph (1) if the court finds that  
 6           the application for the order includes the certifi-  
 7           cation described in subparagraph (A).

8           “(3) PROTECTION.—An officer or employee  
 9           of the Department who, in good faith, produces  
 10          information in accordance with an order issued  
 11          under this subsection does not violate sub-  
 12          section (b)(2) and shall not be liable to any per-  
 13          son for that production.”.

14 **TITLE VI—PROVIDING FOR VIC-**  
 15 **TIMS OF TERRORISM, PUBLIC**  
 16 **SAFETY OFFICERS, AND**  
 17 **THEIR FAMILIES**

18 **Subtitle A—Aid to Families of**  
 19 **Public Safety Officers**

20 **SEC. 611. EXPEDITED PAYMENT FOR PUBLIC SAFETY OFFI-**  
 21 **CERS INVOLVED IN THE PREVENTION, INVES-**  
 22 **TIGATION, RESCUE, OR RECOVERY EFFORTS**  
 23 **RELATED TO A TERRORIST ATTACK.**

24           (a) IN GENERAL.—Notwithstanding the limitations  
 25 of subsection (b) of section 1201 or the provisions of sub-

1 sections (c), (d), and (e) of such section or section 1202  
2 of title I of the Omnibus Crime Control and Safe Streets  
3 Act of 1968 (42 U.S.C. 3796, 3796a), upon certification  
4 (containing identification of all eligible payees of benefits  
5 pursuant to section 1201 of such Act) by a public agency  
6 that a public safety officer employed by such agency was  
7 killed or suffered a catastrophic injury producing perma-  
8 nent and total disability as a direct and proximate result  
9 of a personal injury sustained in the line of duty as de-  
10 scribed in section 1201 of such Act in connection with pre-  
11 vention, investigation, rescue, or recovery efforts related  
12 to a terrorist attack, the Director of the Bureau of Justice  
13 Assistance shall authorize payment to qualified bene-  
14 ficiaries, said payment to be made not later than 30 days  
15 after receipt of such certification, benefits described under  
16 subpart 1 of part L of such Act (42 U.S.C. 3796 et seq.).

17 (b) DEFINITIONS.—For purposes of this section, the  
18 terms “catastrophic injury”, “public agency”, and “public  
19 safety officer” have the same meanings given such terms  
20 in section 1204 of title I of the Omnibus Crime Control  
21 and Safe Streets Act of 1968 (42 U.S.C. 3796b).

1 **SEC. 612. TECHNICAL CORRECTION WITH RESPECT TO EX-**  
2 **PEDITED PAYMENTS FOR HEROIC PUBLIC**  
3 **SAFETY OFFICERS.**

4 Section 1 of Public Law 107-37 (an Act to provide  
5 for the expedited payment of certain benefits for a public  
6 safety officer who was killed or suffered a catastrophic in-  
7 jury as a direct and proximate result of a personal injury  
8 sustained in the line of duty in connection with the ter-  
9 rorist attacks of September 11, 2001) is amended by—

10 (1) inserting before “by a” the following: “(con-  
11 taining identification of all eligible payees of benefits  
12 pursuant to section 1201)”;

13 (2) inserting “producing permanent and total  
14 disability” after “suffered a catastrophic injury”;  
15 and

16 (2) striking “1201(a)” and inserting “1201”.

17 **SEC. 613. PUBLIC SAFETY OFFICERS BENEFIT PROGRAM**  
18 **PAYMENT INCREASE.**

19 (a) PAYMENTS.—Section 1201(a) of the Omnibus  
20 Crime Control and Safe Streets Act of 1968 (42 U.S.C.  
21 3796) is amended by striking “\$100,000” and inserting  
22 “\$250,000”.

23 (b) APPLICABILITY.—The amendment made by sub-  
24 section (a) shall apply to any death or disability occurring  
25 on or after January 1, 2001.

1 **SEC. 614. OFFICE OF JUSTICE PROGRAMS.**

2 Section 112 of title I of section 101(b) of division  
3 A of Public Law 105–277 and section 108(a) of appendix  
4 A of Public Law 106–113 (113 Stat. 1501A–20) are  
5 amended—

6 (1) after “that Office”, each place it occurs, by  
7 inserting “(including, notwithstanding any contrary  
8 provision of law (unless the same should expressly  
9 refer to this section), any organization that admin-  
10 isters any program established in title 1 of Public  
11 Law 90–351)”; and

12 (2) by inserting “functions, including any”  
13 after “all”.

14 **Subtitle B—Amendments to the**  
15 **Victims of Crime Act of 1984**

16 **SEC. 621. CRIME VICTIMS FUND.**

17 (a) DEPOSIT OF GIFTS IN THE FUND.—Section  
18 1402(b) of the Victims of Crime Act of 1984 (42 U.S.C.  
19 10601(b)) is amended—

20 (1) in paragraph (3), by striking “and” at the  
21 end;

22 (2) in paragraph (4), by striking the period at  
23 the end and inserting “; and”; and

24 (3) by adding at the end the following:

25 “(5) any gifts, bequests, or donations to the  
26 Fund from private entities or individuals.”.

1 (b) FORMULA FOR FUND DISTRIBUTIONS.—Section  
2 1402(c) of the Victims of Crime Act of 1984 (42 U.S.C.  
3 10601(c)) is amended to read as follows:

4 “(c) FUND DISTRIBUTION; RETENTION OF SUMS IN  
5 FUND; AVAILABILITY FOR EXPENDITURE WITHOUT FIS-  
6 CAL YEAR LIMITATION.—

7 “(1) Subject to the availability of money in the  
8 Fund, in each fiscal year, beginning with fiscal year  
9 2003, the Director shall distribute not less than 90  
10 percent nor more than 110 percent of the amount  
11 distributed from the Fund in the previous fiscal  
12 year, except the Director may distribute up to 120  
13 percent of the amount distributed in the previous  
14 fiscal year in any fiscal year that the total amount  
15 available in the Fund is more than 2 times the  
16 amount distributed in the previous fiscal year.

17 “(2) In each fiscal year, the Director shall dis-  
18 tribute amounts from the Fund in accordance with  
19 subsection (d). All sums not distributed during a fis-  
20 cal year shall remain in reserve in the Fund to be  
21 distributed during a subsequent fiscal year. Notwith-  
22 standing any other provision of law, all sums depos-  
23 ited in the Fund that are not distributed shall re-  
24 main in reserve in the Fund for obligation in future  
25 fiscal years, without fiscal year limitation.”.

1 (c) ALLOCATION OF FUNDS FOR COSTS AND  
2 GRANTS.—Section 1402(d)(4) of the Victims of Crime Act  
3 of 1984 (42 U.S.C. 10601(d)(4)) is amended—

4 (1) by striking “deposited in” and inserting “to  
5 be distributed from”;

6 (2) in subparagraph (A), by striking “48.5”  
7 and inserting “47.5”;

8 (3) in subparagraph (B), by striking “48.5”  
9 and inserting “47.5”; and

10 (4) in subparagraph (C), by striking “3” and  
11 inserting “5”.

12 (d) ANTITERRORISM EMERGENCY RESERVE.—Sec-  
13 tion 1402(d)(5) of the Victims of Crime Act of 1984 (42  
14 U.S.C. 10601(d)(5)) is amended to read as follows:

15 “(5)(A) In addition to the amounts distributed  
16 under paragraphs (2), (3), and (4), the Director  
17 may set aside up to \$50,000,000 from the amounts  
18 transferred to the Fund for use in responding to the  
19 airplane hijackings and terrorist acts that occurred  
20 on September 11, 2001, as an antiterrorism emer-  
21 gency reserve. The Director may replenish any  
22 amounts expended from such reserve in subsequent  
23 fiscal years by setting aside up to 5 percent of the  
24 amounts remaining in the Fund in any fiscal year

1 after distributing amounts under paragraphs (2), (3)  
2 and (4). Such reserve shall not exceed \$50,000,000.

3 “(B) The antiterrorism emergency reserve re-  
4 ferred to in subparagraph (A) may be used for sup-  
5 plemental grants under section 1404B and to pro-  
6 vide compensation to victims of international ter-  
7 rorism under section 1404C.

8 “(C) Amounts in the antiterrorism emergency  
9 reserve established pursuant to subparagraph (A)  
10 may be carried over from fiscal year to fiscal year.  
11 Notwithstanding subsection (c) and section 619 of  
12 the Departments of Commerce, Justice, and State,  
13 the Judiciary, and Related Agencies Appropriations  
14 Act, 2001 (and any similar limitation on Fund obli-  
15 gations in any future Act, unless the same should  
16 expressly refer to this section), any such amounts  
17 carried over shall not be subject to any limitation on  
18 obligations from amounts deposited to or available in  
19 the Fund.”.

20 (e) VICTIMS OF SEPTEMBER 11, 2001.—Amounts  
21 transferred to the Crime Victims Fund for use in respond-  
22 ing to the airplane hijackings and terrorist acts (including  
23 any related search, rescue, relief, assistance, or other simi-  
24 lar activities) that occurred on September 11, 2001, shall  
25 not be subject to any limitation on obligations from

1 amounts deposited to or available in the Fund,  
2 notwithstanding—

3 (1) section 619 of the Departments of Com-  
4 merce, Justice, and State, the Judiciary, and Re-  
5 lated Agencies Appropriations Act, 2001, and any  
6 similar limitation on Fund obligations in such Act  
7 for Fiscal Year 2002; and

8 (2) subsections (c) and (d) of section 1402 of  
9 the Victims of Crime Act of 1984 (42 U.S.C.  
10 10601).

11 **SEC. 622. CRIME VICTIM COMPENSATION.**

12 (a) ALLOCATION OF FUNDS FOR COMPENSATION  
13 AND ASSISTANCE.—Paragraphs (1) and (2) of section  
14 1403(a) of the Victims of Crime Act of 1984 (42 U.S.C.  
15 10602(a)) are amended by inserting “in fiscal year 2002  
16 and of 60 percent in subsequent fiscal years” after “40  
17 percent”.

18 (b) LOCATION OF COMPENSABLE CRIME.—Section  
19 1403(b)(6)(B) of the Victims of Crime Act of 1984 (42  
20 U.S.C. 10602(b)(6)(B)) is amended by striking “are out-  
21 side the United States (if the compensable crime is ter-  
22 rorism, as defined in section 2331 of title 18), or”.

23 (c) RELATIONSHIP OF CRIME VICTIM COMPENSA-  
24 TION TO MEANS-TESTED FEDERAL BENEFIT PRO-  
25 GRAMS.—Section 1403 of the Victims of Crime Act of

1 1984 (42 U.S.C. 10602) is amended by striking subsection  
2 (c) and inserting the following:

3       “(c) EXCLUSION FROM INCOME, RESOURCES, AND  
4 ASSETS FOR PURPOSES OF MEANS TESTS.—Notwith-  
5 standing any other law (other than title IV of Public Law  
6 107–42), for the purpose of any maximum allowed income,  
7 resource, or asset eligibility requirement in any Federal,  
8 State, or local government program using Federal funds  
9 that provides medical or other assistance (or payment or  
10 reimbursement of the cost of such assistance), any amount  
11 of crime victim compensation that the applicant receives  
12 through a crime victim compensation program under this  
13 section shall not be included in the income, resources, or  
14 assets of the applicant, nor shall that amount reduce the  
15 amount of the assistance available to the applicant from  
16 Federal, State, or local government programs using Fed-  
17 eral funds, unless the total amount of assistance that the  
18 applicant receives from all such programs is sufficient to  
19 fully compensate the applicant for losses suffered as a re-  
20 sult of the crime.”.

21       (d) DEFINITIONS OF “COMPENSABLE CRIME” AND  
22 “STATE”.—Section 1403(d) of the Victims of Crime Act  
23 of 1984 (42 U.S.C. 10602(d)) is amended—

24             (1) in paragraph (3), by striking “crimes in-  
25             volving terrorism,”; and

1           (2) in paragraph (4), by inserting “the United  
2 States Virgin Islands,” after “the Commonwealth of  
3 Puerto Rico,”.

4           (e) RELATIONSHIP OF ELIGIBLE CRIME VICTIM COM-  
5 PENSATION PROGRAMS TO THE SEPTEMBER 11TH VICTIM  
6 COMPENSATION FUND.—

7           (1) IN GENERAL.—Section 1403(e) of the Vic-  
8 tims of Crime Act of 1984 (42 U.S.C. 10602(e)) is  
9 amended by inserting “including the program estab-  
10 lished under title IV of Public Law 107–42,” after  
11 “Federal program,”.

12           (2) COMPENSATION.—With respect to any com-  
13 pensation payable under title IV of Public Law 107–  
14 42, the failure of a crime victim compensation pro-  
15 gram, after the effective date of final regulations  
16 issued pursuant to section 407 of Public Law 107–  
17 42, to provide compensation otherwise required pur-  
18 suant to section 1403 of the Victims of Crime Act  
19 of 1984 (42 U.S.C. 10602) shall not render that  
20 program ineligible for future grants under the Vic-  
21 tims of Crime Act of 1984.

22 **SEC. 623. CRIME VICTIM ASSISTANCE.**

23           (a) ASSISTANCE FOR VICTIMS IN THE DISTRICT OF  
24 COLUMBIA, PUERTO RICO, AND OTHER TERRITORIES  
25 AND POSSESSIONS.—Section 1404(a) of the Victims of

1 Crime Act of 1984 (42 U.S.C. 10603(a)) is amended by  
2 adding at the end the following:

3 “(6) An agency of the Federal Government per-  
4 forming local law enforcement functions in and on  
5 behalf of the District of Columbia, the Common-  
6 wealth of Puerto Rico, the United States Virgin Is-  
7 lands, or any other territory or possession of the  
8 United States may qualify as an eligible crime victim  
9 assistance program for the purpose of grants under  
10 this subsection, or for the purpose of grants under  
11 subsection (c)(1).”.

12 (b) PROHIBITION ON DISCRIMINATION AGAINST CER-  
13 TAIN VICTIMS.—Section 1404(b)(1) of the Victims of  
14 Crime Act of 1984 (42 U.S.C. 10603(b)(1)) is amended—

15 (1) in subparagraph (D), by striking “and” at  
16 the end;

17 (2) in subparagraph (E), by striking the period  
18 at the end and inserting “; and”; and

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

20 “(F) does not discriminate against victims  
21 because they disagree with the way the State is  
22 prosecuting the criminal case.”.

23 (c) GRANTS FOR PROGRAM EVALUATION AND COM-  
24 PLIANCE EFFORTS.—Section 1404(c)(1)(A) of the Vic-  
25 tims of Crime Act of 1984 (42 U.S.C. 10603(c)(1)(A))

1 is amended by inserting “, program evaluation, compliance  
2 efforts,” after “demonstration projects”.

3 (d) ALLOCATION OF DISCRETIONARY GRANTS.—Sec-  
4 tion 1404(c)(2) of the Victims of Crime Act of 1984 (42  
5 U.S.C. 10603(c)(2)) is amended—

6 (1) in subparagraph (A), by striking “not more  
7 than” and inserting “not less than”; and

8 (2) in subparagraph (B), by striking “not less  
9 than” and inserting “not more than”.

10 (e) FELLOWSHIPS AND CLINICAL INTERNSHIPS.—  
11 Section 1404(c)(3) of the Victims of Crime Act of 1984  
12 (42 U.S.C. 10603(c)(3)) is amended—

13 (1) in subparagraph (C), by striking “and” at  
14 the end;

15 (2) in subparagraph (D), by striking the period  
16 at the end and inserting “; and”; and

17 (3) by adding at the end the following:

18 “(E) use funds made available to the Di-  
19 rector under this subsection—

20 “(i) for fellowships and clinical intern-  
21 ships; and

22 “(ii) to carry out programs of training  
23 and special workshops for the presentation  
24 and dissemination of information resulting

1 from demonstrations, surveys, and special  
2 projects.”.

3 **SEC. 624. VICTIMS OF TERRORISM.**

4 (a) COMPENSATION AND ASSISTANCE TO VICTIMS OF  
5 DOMESTIC TERRORISM.—Section 1404B(b) of the Victims  
6 of Crime Act of 1984 (42 U.S.C. 10603b(b)) is amended  
7 to read as follows:

8 “(b) VICTIMS OF TERRORISM WITHIN THE UNITED  
9 STATES.—The Director may make supplemental grants as  
10 provided in section 1402(d)(5) to States for eligible crime  
11 victim compensation and assistance programs, and to vic-  
12 tim service organizations, public agencies (including Fed-  
13 eral, State, or local governments) and nongovernmental  
14 organizations that provide assistance to victims of crime,  
15 which shall be used to provide emergency relief, including  
16 crisis response efforts, assistance, compensation, training  
17 and technical assistance, and ongoing assistance, including  
18 during any investigation or prosecution, to victims of ter-  
19 rorist acts or mass violence occurring within the United  
20 States.”.

21 (b) ASSISTANCE TO VICTIMS OF INTERNATIONAL  
22 TERRORISM.—Section 1404B(a)(1) of the Victims of  
23 Crime Act of 1984 (42 U.S.C. 10603b(a)(1)) is amended  
24 by striking “who are not persons eligible for compensation

1 under title VIII of the Omnibus Diplomatic Security and  
2 Antiterrorism Act of 1986”.

3 (c) COMPENSATION TO VICTIMS OF INTERNATIONAL  
4 TERRORISM.—Section 1404C(b) of the Victims of Crime  
5 of 1984 (42 U.S.C. 10603c(b)) is amended by adding at  
6 the end the following: “The amount of compensation  
7 awarded to a victim under this subsection shall be reduced  
8 by any amount that the victim received in connection with  
9 the same act of international terrorism under title VIII  
10 of the Omnibus Diplomatic Security and Antiterrorism  
11 Act of 1986.”.

12 **TITLE VII—INCREASED INFOR-**  
13 **MATION SHARING FOR CRIT-**  
14 **ICAL INFRASTRUCTURE PRO-**  
15 **TECTION**

16 **SEC. 711. EXPANSION OF REGIONAL INFORMATION SHAR-**  
17 **ING SYSTEM TO FACILITATE FEDERAL-STATE-**  
18 **LOCAL LAW ENFORCEMENT RESPONSE RE-**  
19 **LATED TO TERRORIST ATTACKS.**

20 Section 1301 of title I of the Omnibus Crime Control  
21 and Safe Streets Act of 1968 (42 U.S.C. 3796h) is  
22 amended—

23 (1) in subsection (a), by inserting “and ter-  
24 rorist conspiracies and activities” after “activities”;

25 (2) in subsection (b)—

1 (A) in paragraph (3), by striking “and”  
2 after the semicolon;

3 (B) by redesignating paragraph (4) as  
4 paragraph (5);

5 (C) by inserting after paragraph (3) the  
6 following:

7 “(4) establishing and operating secure informa-  
8 tion sharing systems to enhance the investigation  
9 and prosecution abilities of participating enforce-  
10 ment agencies in addressing multi-jurisdictional ter-  
11 rorist conspiracies and activities; and (5)”;

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

13 “(d) AUTHORIZATION OF APPROPRIATION TO THE  
14 BUREAU OF JUSTICE ASSISTANCE.—There are authorized  
15 to be appropriated to the Bureau of Justice Assistance  
16 to carry out this section \$50,000,000 for fiscal year 2002  
17 and \$100,000,000 for fiscal year 2003.”.

18 **TITLE VIII—STRENGTHENING**  
19 **THE CRIMINAL LAWS**  
20 **AGAINST TERRORISM**

21 **SEC. 801. TERRORIST ATTACKS AND OTHER ACTS OF VIO-**  
22 **LENCE AGAINST MASS TRANSPORTATION**  
23 **SYSTEMS.**

24 Chapter 97 of title 18, United States Code, is amend-  
25 ed by adding at the end the following:

1 **“§ 1993. Terrorist attacks and other acts of violence**  
2 **against mass transportation systems**

3 “(a) GENERAL PROHIBITIONS.—Whoever willfully—

4 “(1) wrecks, derails, sets fire to, or disables a  
5 mass transportation vehicle or ferry;

6 “(2) places or causes to be placed any biological  
7 agent or toxin for use as a weapon, destructive sub-  
8 stance, or destructive device in, upon, or near a  
9 mass transportation vehicle or ferry, without pre-  
10 viously obtaining the permission of the mass trans-  
11 portation provider, and with intent to endanger the  
12 safety of any passenger or employee of the mass  
13 transportation provider, or with a reckless disregard  
14 for the safety of human life;

15 “(3) sets fire to, or places any biological agent  
16 or toxin for use as a weapon, destructive substance,  
17 or destructive device in, upon, or near any garage,  
18 terminal, structure, supply, or facility used in the  
19 operation of, or in support of the operation of, a  
20 mass transportation vehicle or ferry, without pre-  
21 viously obtaining the permission of the mass trans-  
22 portation provider, and knowing or having reason to  
23 know such activity would likely derail, disable, or  
24 wreck a mass transportation vehicle or ferry used,  
25 operated, or employed by the mass transportation  
26 provider;

1           “(4) removes appurtenances from, damages, or  
2 otherwise impairs the operation of a mass transpor-  
3 tation signal system, including a train control sys-  
4 tem, centralized dispatching system, or rail grade  
5 crossing warning signal;

6           “(5) interferes with, disables, or incapacitates  
7 any dispatcher, driver, captain, or person while they  
8 are employed in dispatching, operating, or maintain-  
9 ing a mass transportation vehicle or ferry, with in-  
10 tent to endanger the safety of any passenger or em-  
11 ployee of the mass transportation provider, or with  
12 a reckless disregard for the safety of human life;

13           “(6) commits an act, including the use of a  
14 dangerous weapon, with the intent to cause death or  
15 serious bodily injury to an employee or passenger of  
16 a mass transportation provider or any other person  
17 while any of the foregoing are on the property of a  
18 mass transportation provider;

19           “(7) conveys or causes to be conveyed false in-  
20 formation, knowing the information to be false, con-  
21 cerning an attempt or alleged attempt being made or  
22 to be made, to do any act which would be a crime  
23 prohibited by this subsection; or

24           “(8) attempts, threatens, or conspires to do any  
25 of the aforesaid acts,

1 shall be fined under this title or imprisoned not more than  
2 twenty years, or both, if such act is committed, or in the  
3 case of a threat or conspiracy such act would be com-  
4 mitted, on, against, or affecting a mass transportation  
5 provider engaged in or affecting interstate or foreign com-  
6 merce, or if in the course of committing such act, that  
7 person travels or communicates across a State line in  
8 order to commit such act, or transports materials across  
9 a State line in aid of the commission of such act.

10 “(b) AGGRAVATED OFFENSE.—Whoever commits an  
11 offense under subsection (a) in a circumstance in which—

12 “(1) the mass transportation vehicle or ferry  
13 was carrying a passenger at the time of the offense;  
14 or

15 “(2) the offense has resulted in the death of  
16 any person,

17 shall be guilty of an aggravated form of the offense and  
18 shall be fined under this title or imprisoned for a term  
19 of years or for life, or both.

20 “(c) DEFINITIONS.—In this section—

21 “(1) the term ‘biological agent’ has the meaning  
22 given to that term in section 178(1) of this title;

23 “(2) the term ‘dangerous weapon’ has the  
24 meaning given to that term in section 930 of this  
25 title;



1 **SEC. 802. EXPANSION OF THE BIOLOGICAL WEAPONS STAT-**  
2 **UTE.**

3 Chapter 10 of title 18, United States Code, is  
4 amended—

5 (1) in section 175—

6 (A) in subsection (b)—

7 (i) by striking “does not include” and  
8 inserting “includes”;

9 (ii) by inserting “other than” after  
10 “system for”; and

11 (iii) by inserting “bona fide research”  
12 after “protective”;

13 (B) by redesignating subsection (b) as sub-  
14 section (c); and

15 (C) by inserting after subsection (a) the  
16 following:

17 “(b) **ADDITIONAL OFFENSE.**—Whoever knowingly  
18 possesses any biological agent, toxin, or delivery system  
19 of a type or in a quantity that, under the circumstances,  
20 is not reasonably justified by a prophylactic, protective,  
21 bona fide research, or other peaceful purpose, shall be  
22 fined under this title, imprisoned not more than 10 years,  
23 or both. In this subsection, the terms ‘biological agent’ and  
24 ‘toxin’ do not encompass any biological agent or toxin that  
25 is in its naturally occurring environment, if the biological

1 agent or toxin has not been cultivated, collected, or other-  
2 wise extracted from its natural source.”;

3 (2) by inserting after section 175a the fol-  
4 lowing:

5 **“SEC. 175b. POSSESSION BY RESTRICTED PERSONS.**

6 “(a) No restricted person described in subsection (b)  
7 shall ship or transport interstate or foreign commerce, or  
8 possess in or affecting commerce, any biological agent or  
9 toxin, or receive any biological agent or toxin that has been  
10 shipped or transported in interstate or foreign commerce,  
11 if the biological agent or toxin is listed as a select agent  
12 in subsection (j) of section 72.6 of title 42, Code of Fed-  
13 eral Regulations, pursuant to section 511(d)(l) of the  
14 Antiterrorism and Effective Death Penalty Act of 1996  
15 (Public Law 104–132), and is not exempted under sub-  
16 section (h) of such section 72.6, or appendix A of part  
17 72 of the Code of Regulations.

18 “(b) In this section:

19 “(1) The term ‘select agent’ does not include  
20 any such biological agent or toxin that is in its natu-  
21 rally-occurring environment, if the biological agent  
22 or toxin has not been cultivated, collected, or other-  
23 wise extracted from its natural source.

24 “(2) The term ‘restricted person’ means an individual  
25 who—

1           “(A) is under indictment for a crime pun-  
2           ishable by imprisonment for a term exceeding 1  
3           year;

4           “(B) has been convicted in any court of a  
5           crime punishable by imprisonment for a term  
6           exceeding 1 year;

7           “(C) is a fugitive from justice;

8           “(D) is an unlawful user of any controlled  
9           substance (as defined in section 102 of the Con-  
10          trolled Substances Act (21 U.S.C. 802));

11          “(E) is an alien illegally or unlawfully in  
12          the United States;

13          “(F) has been adjudicated as a mental de-  
14          fective or has been committed to any mental in-  
15          stitution;

16          “(G) is an alien (other than an alien law-  
17          fully admitted for permanent residence) who is  
18          a national of a country as to which the Sec-  
19          retary of State, pursuant to section 6(j) of the  
20          Export Administration Act of 1979 (50 U.S.C.  
21          App. 2405(j)), section 620A of chapter 1 of  
22          part M of the Foreign Assistance Act of 1961  
23          (22 U.S.C. 2371), or section 40(d) of chapter  
24          3 of the Arms Export Control Act (22 U.S.C.  
25          2780(d)), has made a determination (that re-

1 mains in effect) that such country has repeat-  
2 edly provided support for acts of international  
3 terrorism; or

4 “(H) has been discharged from the Armed  
5 Services of the United States under dishonor-  
6 able conditions.

7 “(3) The term ‘alien’ has the same meaning as  
8 in section 1010(a)(3) of the Immigration and Na-  
9 tionality Act (8 U.S.C. 1101(a)(3)).

10 “(4) The term ‘lawfully admitted for permanent  
11 residence’ has the same meaning as in section  
12 101(a)(20) of the Immigration and Nationality Act  
13 (8 U.S.C. 1101(a)(20)).

14 “(c) Whoever knowingly violates this section shall be  
15 fined as provided in this title, imprisoned not more than  
16 10 years, or both, but the prohibition contained in this  
17 section shall not apply with respect to any duly authorized  
18 United States governmental activity.”; and

19 (3) in the chapter analysis, by inserting after  
20 the item relating to section 175a the following:

“175b. Possession by restricted persons.”.

21 **SEC. 803. DEFINITION OF DOMESTIC TERRORISM.**

22 (a) DOMESTIC TERRORISM DEFINED.—Section 2331  
23 of title 18, United States Code, is amended—

1           (1) in paragraph (1)(B)(iii), by striking “by as-  
2           sassination or kidnapping” and inserting “by mass  
3           destruction, assassination, or kidnapping”;

4           (2) in paragraph (3), by striking “and”;

5           (3) in paragraph (4), by striking the period at  
6           the end and inserting “; and”; and

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

8           “(5) the term ‘domestic terrorism’ means activi-  
9           ties that—

10           “(A) involve acts dangerous to human life  
11           that are a violation of the criminal laws of the  
12           United States or of any State;

13           “(B) appear to be intended—

14           “(i) to intimidate or coerce a civilian  
15           population;

16           “(ii) to influence the policy of a gov-  
17           ernment by intimidation or coercion; or

18           “(iii) to affect the conduct of a gov-  
19           ernment by mass destruction, assassina-  
20           tion, or kidnapping; and

21           “(C) occur primarily within the territorial  
22           jurisdiction of the United States.”.

23           (b) CONFORMING AMENDMENT.—Section 3077(1) of  
24           title 18, United States Code, is amended to read as fol-  
25           lows:

1           “(1) ‘act of terrorism’ means an act of domestic  
2           or international terrorism as defined in section  
3           2331;”.

4 **SEC. 804. PROHIBITION AGAINST HARBORING TERRORISTS.**

5           (a) IN GENERAL.—Chapter 113B of title 18, United  
6 States Code, is amended by adding after section 2338 the  
7 following new section:

8 **“§ 2339. Harboring or concealing terrorists**

9           “(a) Whoever harbors or conceals any person who he  
10 knows, or has reasonable grounds to believe, has com-  
11 mitted, or is about to commit, an offense under section  
12 32 (relating to destruction of aircraft or aircraft facilities),  
13 section 175 (relating to biological weapons), section 229  
14 (relating to chemical weapons), section 831 (relating to  
15 nuclear materials), paragraph (2) or (3) of section 844(f)  
16 (relating to arson and bombing of government property  
17 risking or causing injury or death), section 1366(a) (relat-  
18 ing to the destruction of an energy facility), section 2280  
19 (relating to violence against maritime navigation), section  
20 2332a (relating to weapons of mass destruction), or sec-  
21 tion 2332b (relating to acts of terrorism transcending na-  
22 tional boundaries) of this title, section 236(a) (relating to  
23 sabotage of nuclear facilities or fuel) of the Atomic Energy  
24 Act of 1954 (42 U.S.C. 2284(a)), or section 46502 (relat-

1 ing to aircraft piracy) of title 49, shall be fined under this  
2 title or imprisoned not more than ten years, or both.”.

3 “(b) A violation of this section may be prosecuted in  
4 any Federal judicial district in which the underlying of-  
5 fense was committed, or in any other Federal judicial dis-  
6 trict as provided by law.”.

7 (b) TECHNICAL AMENDMENT.—The chapter analysis  
8 for chapter 113B of title 18, United States Code, is  
9 amended by inserting after the item for section 2338 the  
10 following:

“2339. Harboring or concealing terrorists.”.

11 **SEC. 805. JURISDICTION OVER CRIMES COMMITTED AT U.S.**  
12 **FACILITIES ABROAD.**

13 Section 7 of title 18, United States Code, is amended  
14 by adding at the end the following:

15 “(9) With respect to offenses committed by or  
16 against a United States national, as defined in sec-  
17 tion 1203(c) of this title—

18 “(A) the premises of United States diplo-  
19 matic, consular, military or other United States  
20 Government missions or entities in foreign  
21 States, including the buildings, parts of build-  
22 ings, and land appurtenant or ancillary thereto  
23 or used for purposes of those missions or enti-  
24 ties, irrespective of ownership; and

1           “(B) residences in foreign States and the  
2           land appurtenant or ancillary thereto, irrespec-  
3           tive of ownership, used for purposes of those  
4           missions or entities or used by United States  
5           personnel assigned to those missions or entities.  
6           Nothing in this paragraph shall be deemed to super-  
7           sede any treaty or international agreement in force  
8           on the date of enactment of this paragraph with  
9           which this paragraph conflicts. This paragraph does  
10          not apply with respect to an offense committed by  
11          a person described in section 3261(a) of this title.”.

12 **SEC. 806. MATERIAL SUPPORT FOR TERRORISM.**

13          (a) IN GENERAL.—Section 2339A of title 18, United  
14 States Code, is amended—

15               (1) in subsection (a)—

16                       (A) by striking “, within the United  
17 States,”;

18                       (B) by inserting “229,” after “175,”;

19                       (C) by inserting “1993,” after “1992,”;

20                       (D) by inserting “, section 236 of the  
21 Atomic Energy Act of 1954 (42 U.S.C. 2284),”  
22 after “of this title”;

23                       (E) by inserting “or 60123(b)” after  
24 “46502”; and

1 (F) by inserting at the end the following:

2 “A violation of this section may be prosecuted  
3 in any Federal judicial district in which the un-  
4 derlying offense was committed, or in any other  
5 Federal judicial district as provided by law.”;

6 and

7 (2) in subsection (b)—

8 (A) by striking “or other financial securi-  
9 ties” and inserting “or monetary instruments  
10 or financial securities”; and

11 (B) by inserting “expert advice or assist-  
12 ance,” after “training.”.

13 (b) TECHNICAL AMENDMENT.—Section  
14 1956(c)(7)(D) of title 18, United States Code, is amended  
15 by inserting “or 2339B” after “2339A”.

16 **SEC. 807. ASSETS OF TERRORIST ORGANIZATIONS.**

17 Section 981(a)(1) of title 18, United States Code, is  
18 amended by inserting at the end the following:

19 “(G) All assets, foreign or domestic—

20 “(i) of any person, entity, or organization  
21 engaged in planning or perpetrating any act of  
22 domestic or international terrorism (as defined  
23 in section 2331) against the United States, citi-  
24 zens or residents of the United States, or their  
25 property, and all assets, foreign or domestic, af-

1           fording any person a source of influence over  
2           any such entity or organization;

3           “(ii) acquired or maintained by any person  
4           for the purpose of supporting, planning, con-  
5           ducting, or concealing an act of domestic or  
6           international terrorism (as defined in section  
7           2331) against the United States, citizens or  
8           residents of the United States, or their prop-  
9           erty; or

10           “(iii) derived from, involved in, or used or  
11           intended to be used to commit any act of do-  
12           mestic or international terrorism (as defined in  
13           section 2331) against the United States, citi-  
14           zens or residents of the United States, or their  
15           property.”.

16 **SEC. 808. TECHNICAL CLARIFICATION RELATING TO PROVI-**  
17 **SION OF MATERIAL SUPPORT TO TER-**  
18 **RORISM.**

19           No provision of the Trade Sanctions Reform and Ex-  
20 port Enhancement Act of 2000 (title IX of Public Law  
21 106–387) shall be construed to limit or otherwise affect  
22 section 2339A or 2339B of title 18, United States Code.

23 **SEC. 809. DEFINITION OF FEDERAL CRIME OF TERRORISM.**

24           Section 2332b of title 18, United States Code, is  
25 amended—

1           (1) in subsection (f), by inserting after “ter-  
2           rorism” the following: “and any violation of section  
3           351(e), 844(e), 844(f)(1), 956(b), 1361, 1366(b),  
4           1366(e), 1751(e), 2152, or 2156 of this title,” be-  
5           fore “and the Secretary”; and

6           (2) in subsection (g)(5)(B), by striking clauses  
7           (i) through (iii) and inserting the following:

8                   “(i) section 32 (relating to destruction  
9                   of aircraft or aircraft facilities), 37 (relat-  
10                  ing to violence at international airports),  
11                  81 (relating to arson within special mari-  
12                  time and territorial jurisdiction), 175 or  
13                  175b (relating to biological weapons), 229  
14                  (relating to chemical weapons), 351 (a)  
15                  through (d) (relating to congressional, cab-  
16                  inet, and Supreme Court assassination and  
17                  kidnaping), 831 (relating to nuclear mate-  
18                  rials), 842(m) or (n) (relating to plastic  
19                  explosives), 844(f) (2) through (3) (relat-  
20                  ing to arson and bombing of Government  
21                  property risking or causing death), 844(i)  
22                  (relating to arson and bombing of property  
23                  used in interstate commerce), 930(c) (re-  
24                  lating to killing or attempted killing during  
25                  an attack on a Federal facility with a dan-

1                   gerous weapon), 956(a)(1) (relating to con-  
2                   spiracy to murder, kidnap, or maim within  
3                   special maritime and territorial jurisdiction  
4                   of the United States), 1030(a)(1) (relating  
5                   to protection of computers),  
6                   1030(a)(5)(A)(i) resulting in damage as  
7                   defined in 1030(a)(5)(B)(ii) through (v)  
8                   (relating to protection of computers), 1114  
9                   (relating to killing or attempted killing of  
10                  officers and employees of the United  
11                  States), 1116 (relating to murder or man-  
12                  slaughter of foreign officials, official  
13                  guests, or internationally protected per-  
14                  sons), 1203 (relating to hostage taking),  
15                  1362 (relating to destruction of commu-  
16                  nication lines, stations, or systems), 1363  
17                  (relating to injury to buildings or property  
18                  within special maritime and territorial ju-  
19                  risdiction of the United States), 1366(a)  
20                  (relating to destruction of an energy facil-  
21                  ity), 1751 (a) through (d) (relating to  
22                  Presidential and Presidential staff assas-  
23                  sination and kidnaping), 1992 (relating to  
24                  wrecking trains), 1993 (relating to ter-  
25                  rorist attacks and other acts of violence

1           against mass transportation systems),  
2           2155 (relating to destruction of national  
3           defense materials, premises, or utilities),  
4           2280 (relating to violence against maritime  
5           navigation), 2281 (relating to violence  
6           against maritime fixed platforms), 2332  
7           (relating to certain homicides and other vi-  
8           olence against United States nationals oc-  
9           curring outside of the United States),  
10          2332a (relating to use of weapons of mass  
11          destruction), 2332b (relating to acts of ter-  
12          rorism transcending national boundaries),  
13          2339 (relating to harboring terrorists),  
14          2339A (relating to providing material sup-  
15          port to terrorists), 2339B (relating to pro-  
16          viding material support to terrorist organi-  
17          zations), or 2340A (relating to torture) of  
18          this title;

19                 “(ii) section 236 (relating to sabotage  
20                 of nuclear facilities or fuel) of the Atomic  
21                 Energy Act of 1954 (42 U.S.C. 2284); or

22                 “(iii) section 46502 (relating to air-  
23                 craft piracy), the second sentence of sec-  
24                 tion 46504 (relating to assault on a flight  
25                 crew with a dangerous weapon), section

1 46505(b)(3) or (c) (relating to explosive or  
2 incendiary devices, or endangerment of  
3 human life by means of weapons, on air-  
4 craft), section 46506 if homicide or at-  
5 tempted homicide is involved (relating to  
6 application of certain criminal laws to acts  
7 on aircraft), or section 60123(b) (relating  
8 to destruction of interstate gas or haz-  
9 ardous liquid pipeline facility) of title 49.”.

10 **SEC. 810. NO STATUTE OF LIMITATION FOR CERTAIN TER-**  
11 **RORISM OFFENSES.**

12 (a) IN GENERAL.—Section 3286 of title 18, United  
13 States Code, is amended to read as follows:

14 **“§ 3286. Extension of statute of limitation for certain**  
15 **terrorism offenses.**

16 “(a) EIGHT-YEAR LIMITATION.—Notwithstanding  
17 section 3282, no person shall be prosecuted, tried, or pun-  
18 ished for any noncapital offense involving a violation of  
19 any provision listed in section 2332b(g)(5)(B) other than  
20 a provision listed in section 3295, or a violation of section  
21 112, 351(e), 1361, or 1751(e) of this title, or section  
22 46504, 46505, or 46506 of title 49, unless the indictment  
23 is found or the information is instituted within 8 years  
24 after the offense was committed.

1       “(b) NO LIMITATION.—Notwithstanding any other  
2 law, an indictment may be found or an information insti-  
3 tuted at any time without limitation for any offense listed  
4 in section 2332b(g)(5)(B), if the commission of such of-  
5 fense resulted in, or created a foreseeable risk of, death  
6 or serious bodily injury to another person.”.

7       (b) APPLICATION.—The amendments made by this  
8 section shall apply to the prosecution of any offense com-  
9 mitted before, on, or after the date of enactment of this  
10 section.

11 **SEC. 811. ALTERNATE MAXIMUM PENALTIES FOR TER-**  
12 **RORISM OFFENSES.**

13       (a) ARSON.—Section 81 of title 18, United States  
14 Code, is amended in the second undesignated paragraph  
15 by striking “not more than twenty years” and inserting  
16 “for any term of years or for life”.

17       (b) DESTRUCTION OF AN ENERGY FACILITY.—Sec-  
18 tion 1366 of title 18, United States Code, is amended—

19           (1) in subsection (a), by striking “ten” and in-  
20 sserting “20”; and

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

22       “(d) Whoever is convicted of a violation of subsection  
23 (a) or (b) that has resulted in the death of any person  
24 shall be subject to imprisonment for any term of years  
25 or life.”.

1 (c) MATERIAL SUPPORT TO TERRORISTS.—Section  
2 2339A(a) of title 18, United States Code, is amended—

3 (1) by striking “10” and inserting “15”; and

4 (2) by striking the period and inserting “and,  
5 if the death of any person results, shall be impris-  
6 oned for any term of years or for life.”.

7 (d) MATERIAL SUPPORT TO DESIGNATED FOREIGN  
8 TERRORIST ORGANIZATIONS.—Section 2339B(a)(1) of  
9 title 18, United States Code, is amended—

10 (1) by striking “10” and inserting “15”; and

11 (2) by striking the period after “or both” and  
12 inserting “and, if the death of any person results,  
13 shall be imprisoned for any term of years or for  
14 life.”.

15 (e) DESTRUCTION OF NATIONAL-DEFENSE MATE-  
16 RIALS.—Section 2155(a) of title 18, United States Code,  
17 is amended—

18 (1) by striking “ten” and inserting “20”; and

19 (2) by striking the period at the end and insert-  
20 ing “, and, if death results to any person, shall be  
21 imprisoned for any term of years or for life.”.

22 (f) SABOTAGE OF NUCLEAR FACILITIES OR FUEL.—  
23 Section 236 of the Atomic Energy Act of 1954 (42 U.S.C.  
24 2284), is amended—

1           (1) by striking “ten” each place it appears and  
2           inserting “20”;

3           (2) in subsection (a), by striking the period at  
4           the end and inserting “, and, if death results to any  
5           person, shall be imprisoned for any term of years or  
6           for life.”; and

7           (3) in subsection (b), by striking the period at  
8           the end and inserting “, and, if death results to any  
9           person, shall be imprisoned for any term of years or  
10          for life.”.

11          (g) SPECIAL AIRCRAFT JURISDICTION OF THE  
12          UNITED STATES.—Section 46505(c) of title 49, United  
13          States Code, is amended—

14                 (1) by striking “15” and inserting “20”; and

15                 (2) by striking the period at the end and insert-  
16                 ing “, and, if death results to any person, shall be  
17                 imprisoned for any term of years or for life.”.

18          (h) DAMAGING OR DESTROYING AN INTERSTATE GAS  
19          OR HAZARDOUS LIQUID PIPELINE FACILITY.—Section  
20          60123(b) of title 49, United States Code, is amended—

21                 (1) by striking “15” and inserting “20”; and

22                 (2) by striking the period at the end and insert-  
23                 ing “, and, if death results to any person, shall be  
24                 imprisoned for any term of years or for life.”.

1 **SEC. 812. PENALTIES FOR TERRORIST CONSPIRACIES.**

2 (a) ARSON.—Section 81 of title 18, United States  
3 Code, is amended in the first undesignated paragraph—

4 (1) by striking “, or attempts to set fire to or  
5 burn”; and

6 (2) by inserting “or attempts or conspires to do  
7 such an act,” before “shall be imprisoned”.

8 (b) KILLINGS IN FEDERAL FACILITIES.—

9 (1) Section 930(c) of title 18, United States  
10 Code, is amended—

11 (A) by striking “or attempts to kill”;

12 (B) by inserting “or attempts or conspires  
13 to do such an act,” before “shall be punished”;  
14 and

15 (C) by striking “and 1113” and inserting  
16 “1113, and 1117”.

17 (2) Section 1117 of title 18, United States  
18 Code, is amended by inserting “930(c),” after “sec-  
19 tion”.

20 (c) COMMUNICATIONS LINES, STATIONS, OR SYS-  
21 TEMS.—Section 1362 of title 18, United States Code, is  
22 amended in the first undesignated paragraph—

23 (1) by striking “or attempts willfully or mali-  
24 ciously to injure or destroy”; and

25 (2) by inserting “or attempts or conspires to do  
26 such an act,” before “shall be fined”.

1 (d) BUILDINGS OR PROPERTY WITHIN SPECIAL  
2 MARITIME AND TERRITORIAL JURISDICTION.—Section  
3 1363 of title 18, United States Code, is amended—

4 (1) by striking “or attempts to destroy or in-  
5 jure”; and

6 (2) by inserting “or attempts or conspires to do  
7 such an act,” before “shall be fined” the first place  
8 it appears.

9 (e) WRECKING TRAINS.—Section 1992 of title 18,  
10 United States Code, is amended by adding at the end the  
11 following:

12 “(c) A person who conspires to commit any offense  
13 defined in this section shall be subject to the same pen-  
14 alties (other than the penalty of death) as the penalties  
15 prescribed for the offense, the commission of which was  
16 the object of the conspiracy.”.

17 (f) MATERIAL SUPPORT TO TERRORISTS.—Section  
18 2339A of title 18, United States Code, is amended by in-  
19 serting “or attempts or conspires to do such an act,” be-  
20 fore “shall be fined”.

21 (g) TORTURE.—Section 2340A of title 18, United  
22 States Code, is amended by adding at the end the fol-  
23 lowing:

24 “(c) CONSPIRACY.—A person who conspires to com-  
25 mit an offense under this section shall be subject to the

1 same penalties (other than the penalty of death) as the  
2 penalties prescribed for the offense, the commission of  
3 which was the object of the conspiracy.”.

4 (h) SABOTAGE OF NUCLEAR FACILITIES OR FUEL.—  
5 Section 236 of the Atomic Energy Act of 1954 (42 U.S.C.  
6 2284), is amended—

7 (1) in subsection (a)—

8 (A) by striking “, or who intentionally and  
9 willfully attempts to destroy or cause physical  
10 damage to”;

11 (B) in paragraph (4), by striking the pe-  
12 riod at the end and inserting a comma; and

13 (C) by inserting “or attempts or conspires  
14 to do such an act,” before “shall be fined”; and

15 (2) in subsection (b)—

16 (A) by striking “or attempts to cause”;  
17 and

18 (B) by inserting “or attempts or conspires  
19 to do such an act,” before “shall be fined”.

20 (i) INTERFERENCE WITH FLIGHT CREW MEMBERS  
21 AND ATTENDANTS.—Section 46504 of title 49, United  
22 States Code, is amended by inserting “or attempts or con-  
23 spires to do such an act,” before “shall be fined”.

24 (j) SPECIAL AIRCRAFT JURISDICTION OF THE  
25 UNITED STATES.—Section 46505 of title 49, United

1 States Code, is amended by adding at the end the fol-  
2 lowing:

3 “(e) CONSPIRACY.—If two or more persons conspire  
4 to violate subsection (b) or (c), and one or more of such  
5 persons do any act to effect the object of the conspiracy,  
6 each of the parties to such conspiracy shall be punished  
7 as provided in such subsection.”.

8 (k) DAMAGING OR DESTROYING AN INTERSTATE GAS  
9 OR HAZARDOUS LIQUID PIPELINE FACILITY.—Section  
10 60123(b) of title 49, United States Code, is amended—

11 (1) by striking “, or attempting to damage or  
12 destroy,”; and

13 (2) by inserting “, or attempting or conspiring  
14 to do such an act,” before “shall be fined”.

15 **SEC. 813. POST-RELEASE SUPERVISION OF TERRORISTS.**

16 Section 3583 of title 18, United States Code, is  
17 amended by adding at the end the following:

18 “(j) SUPERVISED RELEASE TERMS FOR TERRORISM  
19 PREDICATES.—Notwithstanding subsection (b), the au-  
20 thorized term of supervised release for any offense listed  
21 in section 2332b(g)(5)(B), the commission of which re-  
22 sulted in, or created a foreseeable risk of, death or serious  
23 bodily injury to another person, is any term of years or  
24 life.”.

1 **SEC. 814. INCLUSION OF ACTS OF TERRORISM AS RACKET-**  
2 **EERING ACTIVITY.**

3 Section 1961(1) of title 18, United States Code, is  
4 amended—

5 (1) by striking “or (F)” and inserting “(F)”;

6 and

7 (2) by inserting before the semicolon at the end  
8 the following: “, or (G) any act that is indictable as  
9 an offense listed in section 2332b(g)(5)(B)”.

10 **SEC. 815. DETERRENCE AND PREVENTION OF**  
11 **CYBERTERRORISM.**

12 (a) CLARIFICATION OF PROTECTION OF PROTECTED  
13 COMPUTERS.—Section 1030(a)(5) of title 18, United  
14 States Code, is amended—

15 (1) by inserting “(i)” after (A)”;

16 (2) by redesignating subparagraphs (B) and  
17 (C) as clauses (ii) and (iii), respectively;

18 (3) by adding “and” at the end of clause (iii),  
19 as so redesignated; and

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

21 “(B) caused (or, in the case of an at-  
22 tempted offense, would, if completed, have  
23 caused) conduct described in clause (i), (ii), or  
24 (iii) of subparagraph (A) that resulted in—

25 “(i) loss to 1 or more persons during  
26 any 1-year period (including loss resulting

1 from a related course of conduct affecting  
2 1 or more other protected computers) ag-  
3 gregating at least \$5,000 in value;

4 “(ii) the modification or impairment,  
5 or potential modification or impairment, of  
6 the medical examination, diagnosis, treat-  
7 ment, or care of 1 or more individuals;

8 “(iii) physical injury to any person;

9 “(iv) a threat to public health or safe-  
10 ty; or

11 “(v) damage affecting a computer sys-  
12 tem used by or for a Government entity in  
13 furtherance of the administration of jus-  
14 tice, national defense, or national secu-  
15 rity;”.

16 (b) 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 sserting “(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 “and” at the end; and

11 (3) by striking “(a)(5)(C)” and inserting  
12 “(a)(5)(A)(iii)”;

13 (4) by adding at the end the following new  
14 paragraphs:

15 “(4)(A) a fine under this title, imprisonment  
16 for not more than 10 years, or both, in the case of  
17 an offense under subsection (a)(5)(A)(i), or an at-  
18 tempt to commit an offense punishable under that  
19 subsection;

20 “(B) a fine under this title, imprisonment  
21 for not more than 5 years, or both, in the case  
22 of an offense under subsection (a)(5)(A)(ii), or  
23 an attempt to commit an offense punishable  
24 under that subsection;

1           “(C) a fine under this title, imprisonment  
2           for not more than 20 years, or both, in the case  
3           of an offense under subsection (a)(5)(A)(i) or  
4           (a)(5)(A)(ii), or an attempt to commit an of-  
5           fense punishable under either subsection, that  
6           occurs after a conviction for another offense  
7           under this section.”.

8           (c) DEFINITIONS.—Subsection (e) of section 1030 of  
9 title 18, United States Code is amended—

10           (1) in paragraph (2)(B), by inserting “, includ-  
11           ing a computer located outside the United States”  
12           before the semicolon;

13           (2) in paragraph (7), by striking “and” at the  
14           end;

15           (3) by striking paragraph (8) and inserting the  
16           following new paragraph (8):

17           “(8) the term ‘damage’ means any impairment  
18           to the integrity or availability of data, a program, a  
19           system, or information;”;

20           (4) in paragraph (9), by striking the period at  
21           the end and inserting a semicolon; and

22           (5) by adding at the end the following new  
23           paragraphs:

24           “(10) the term ‘conviction’ shall include a con-  
25           viction under the law of any State for a crime pun-

1 ishable by imprisonment for more than 1 year, an  
2 element of which is unauthorized access, or exceed-  
3 ing authorized access, to a computer;

4 “(11) the term ‘loss’ includes any reasonable  
5 cost to any victim, including the cost of responding  
6 to an offense, conducting a damage assessment, and  
7 restoring the data, program, system, or information  
8 to its condition prior to the offense, and any revenue  
9 lost, cost incurred, or other consequential damages  
10 incurred because of interruption of service;

11 “(12) the term ‘person’ means any individual,  
12 firm, corporation, educational institution, financial  
13 institution, governmental entity, or legal or other en-  
14 tity;”.

15 (d) DAMAGES IN CIVIL ACTIONS.—Subsection (g) of  
16 section 1030 of title 18, United States Code is amended—

17 (1) by striking the second sentence and insert-  
18 ing the following new sentences: “A suit for a viola-  
19 tion of subsection (a)(5) may be brought only if the  
20 conduct involves one of the factors enumerated in  
21 subsection (a)(5)(B). Damages for a violation involv-  
22 ing only conduct described in subsection (a)(5)(B)(i)  
23 are limited to economic damages.”; and

24 (2) by adding at the end the following: “No ac-  
25 tion may be brought under this subsection for the

1 negligent design or manufacture of computer hard-  
2 ware, computer software, or firmware.”.

3 (e) AMENDMENT OF SENTENCING GUIDELINES RE-  
4 LATING TO CERTAIN COMPUTER FRAUD AND ABUSE.—  
5 Pursuant to its authority under section 994(p) of title 28,  
6 United States Code, the United States Sentencing Com-  
7 mission shall amend the Federal sentencing guidelines to  
8 ensure that any individual convicted of a violation of sec-  
9 tion 1030 of title 18, United States Code, can be subjected  
10 to appropriate penalties, without regard to any mandatory  
11 minimum term of imprisonment.

12 **SEC. 816. ADDITIONAL DEFENSE TO CIVIL ACTIONS RELAT-**  
13 **ING TO PRESERVING RECORDS IN RESPONSE**  
14 **TO GOVERNMENT REQUESTS.**

15 Section 2707(e)(1) of title 18, United States Code,  
16 is amended by inserting after “or statutory authorization”  
17 the following: “(including a request of a governmental en-  
18 tity under section 2703(f) of this title)”.

19 **SEC. 817. DEVELOPMENT AND SUPPORT OF**  
20 **CYBERSECURITY FORENSIC CAPABILITIES.**

21 (a) IN GENERAL.—The Attorney General shall estab-  
22 lish such regional computer forensic laboratories as the  
23 Attorney General considers appropriate, and provide sup-  
24 port to existing computer forensic laboratories, in order

1 that all such computer forensic laboratories have the  
2 capability—

3 (1) to provide forensic examinations with re-  
4 spect to seized or intercepted computer evidence re-  
5 lating to criminal activity (including cyberterrorism);

6 (2) to provide training and education for Fed-  
7 eral, State, and local law enforcement personnel and  
8 prosecutors regarding investigations, forensic anal-  
9 yses, and prosecutions of computer-related crime (in-  
10 cluding cyberterrorism);

11 (3) to assist Federal, State, and local law en-  
12 forcement in enforcing Federal, State, and local  
13 criminal laws relating to computer-related crime;

14 (4) to facilitate and promote the sharing of  
15 Federal law enforcement expertise and information  
16 about the investigation, analysis, and prosecution of  
17 computer-related crime with State and local law en-  
18 forcement personnel and prosecutors, including the  
19 use of multijurisdictional task forces; and

20 (5) to carry out such other activities as the At-  
21 torney General considers appropriate.

22 (b) AUTHORIZATION OF APPROPRIATIONS.—

23 (1) AUTHORIZATION.—There is hereby author-  
24 ized to be appropriated in each fiscal year

1       \$50,000,000 for purposes of carrying out this sec-  
2       tion.

3               (2) AVAILABILITY.—Amounts appropriated pur-  
4       suant to the authorization of appropriations in para-  
5       graph (1) shall remain available until expended.

6                               **TITLE IX—IMPROVED**  
7                               **INTELLIGENCE**

8       **SEC. 901. RESPONSIBILITIES OF DIRECTOR OF CENTRAL**  
9                               **INTELLIGENCE REGARDING FOREIGN INTEL-**  
10                              **LIGENCE COLLECTED UNDER FOREIGN IN-**  
11                              **TELLIGENCE SURVEILLANCE ACT OF 1978.**

12       Section 103(c) of the National Security Act of 1947  
13       (50 U.S.C. 403–3(c)) is amended—

14               (1) by redesignating paragraphs (6) and (7) as  
15       paragraphs (7) and (8), respectively; and

16               (2) by inserting after paragraph (5) the fol-  
17       lowing new paragraph (6):

18               “(6) establish requirements and priorities for  
19       foreign intelligence information to be collected under  
20       the Foreign Intelligence Surveillance Act of 1978  
21       (50 U.S.C. 1801 et seq.), and provide assistance to  
22       the Attorney General to ensure that information de-  
23       rived from electronic surveillance or physical  
24       searches under that Act is disseminated so it may be  
25       used efficiently and effectively for foreign intel-

1       ligence purposes, except that the Director shall have  
2       no authority to direct, manage, or undertake elec-  
3       tronic surveillance operations pursuant to that Act  
4       unless otherwise authorized by statute or executive  
5       order;”.

6       **SEC. 902. INCLUSION OF INTERNATIONAL TERRORIST AC-**  
7                               **TIVITIES WITHIN SCOPE OF FOREIGN INTEL-**  
8                               **LIGENCE UNDER NATIONAL SECURITY ACT**  
9                               **OF 1947.**

10       Section 3 of the National Security Act of 1947 (50  
11 U.S.C. 401a) is amended—

12               (1) in paragraph (2), by inserting before the pe-  
13       riod the following: “, or international terrorist activi-  
14       ties”; and

15               (2) in paragraph (3), by striking “and activities  
16       conducted” and inserting “, and activities con-  
17       ducted,”.

18       **SEC. 903. SENSE OF CONGRESS ON THE ESTABLISHMENT**  
19                               **AND MAINTENANCE OF INTELLIGENCE RELA-**  
20                               **TIONSHIPS TO ACQUIRE INFORMATION ON**  
21                               **TERRORISTS AND TERRORIST ORGANIZA-**  
22                               **TIONS.**

23       It is the sense of Congress that officers and employ-  
24       ees of the intelligence community of the Federal Govern-  
25       ment, acting within the course of their official duties,

1 should be encouraged, and should make every effort, to  
2 establish and maintain intelligence relationships with any  
3 person, entity, or group for the purpose of engaging in  
4 lawful intelligence activities, including the acquisition of  
5 information on the identity, location, finances, affiliations,  
6 capabilities, plans, or intentions of a terrorist or terrorist  
7 organization, or information on any other person, entity,  
8 or group (including a foreign government) engaged in har-  
9 boring, comforting, financing, aiding, or assisting a ter-  
10 rorist or terrorist organization.

11 **SEC. 904. TEMPORARY AUTHORITY TO DEFER SUBMITTAL**  
12 **TO CONGRESS OF REPORTS ON INTEL-**  
13 **LIGENCE AND INTELLIGENCE-RELATED MAT-**  
14 **TERS.**

15 (a) **AUTHORITY TO DEFER.**—The Secretary of De-  
16 fense, Attorney General, and Director of Central Intel-  
17 ligence each may, during the effective period of this sec-  
18 tion, defer the date of submittal to Congress of any cov-  
19 ered intelligence report under the jurisdiction of such offi-  
20 cial until February 1, 2002.

21 (b) **COVERED INTELLIGENCE REPORT.**—Except as  
22 provided in subsection (c), for purposes of subsection (a),  
23 a covered intelligence report is as follows:

24 (1) Any report on intelligence or intelligence-re-  
25 lated activities of the United States Government

1 that is required to be submitted to Congress by an  
2 element of the intelligence community during the ef-  
3 fective period of this section.

4 (2) Any report or other matter that is required  
5 to be submitted to the Select Committee on Intel-  
6 ligence of the Senate and Permanent Select Com-  
7 mittee on Intelligence of the House of Representa-  
8 tives by the Department of Defense or the Depart-  
9 ment of Justice during the effective period of this  
10 section.

11 (c) EXCEPTION FOR CERTAIN REPORTS.—For pur-  
12 poses of subsection (a), any report required by section 502  
13 or 503 of the National Security Act of 1947 (50 U.S.C.  
14 413a, 413b) is not a covered intelligence report.

15 (d) NOTICE TO CONGRESS.—Upon deferring the date  
16 of submittal to Congress of a covered intelligence report  
17 under subsection (a), the official deferring the date of sub-  
18 mittal of the covered intelligence report shall submit to  
19 Congress notice of the deferral. Notice of deferral of a re-  
20 port shall specify the provision of law, if any, under which  
21 the report would otherwise be submitted to Congress.

22 (e) EXTENSION OF DEFERRAL.—(1) Each official  
23 specified in subsection (a) may defer the date of submittal  
24 to Congress of a covered intelligence report under the ju-  
25 risdiction of such official to a date after February 1, 2002,

1 if such official submits to the committees of Congress  
2 specified in subsection (b)(2) before February 1, 2002, a  
3 certification that preparation and submittal of the covered  
4 intelligence report on February 1, 2002, will impede the  
5 work of officers or employees who are engaged in  
6 counterterrorism activities.

7 (2) A certification under paragraph (1) with respect  
8 to a covered intelligence report shall specify the date on  
9 which the covered intelligence report will be submitted to  
10 Congress.

11 (f) EFFECTIVE PERIOD.—The effective period of this  
12 section is the period beginning on the date of the enact-  
13 ment of this Act and ending on February 1, 2002.

14 (g) ELEMENT OF THE INTELLIGENCE COMMUNITY  
15 DEFINED.—In this section, the term “element of the intel-  
16 ligence community” means any element of the intelligence  
17 community specified or designated under section 3(4) of  
18 the National Security Act of 1947 (50 U.S.C. 401a(4)).

19 **SEC. 905. DISCLOSURE TO DIRECTOR OF CENTRAL INTEL-**  
20 **LIGENCE OF FOREIGN INTELLIGENCE-RE-**  
21 **LATED INFORMATION WITH RESPECT TO**  
22 **CRIMINAL INVESTIGATIONS.**

23 (a) IN GENERAL.—Title I of the National Security  
24 Act of 1947 (50 U.S.C. 402 et seq.) is amended—

1           (1) by redesignating subsection 105B as section  
2           105C; and

3           (2) by inserting after section 105A the fol-  
4           lowing new section 105B:

5           “DISCLOSURE OF FOREIGN INTELLIGENCE ACQUIRED IN  
6           CRIMINAL INVESTIGATIONS; NOTICE OF CRIMINAL  
7           INVESTIGATIONS OF FOREIGN INTELLIGENCE  
8           SOURCES

9           “SEC. 105B. (a) DISCLOSURE OF FOREIGN INTEL-  
10          LIGENCE.—(1) Except as otherwise provided by law and  
11          subject to paragraph (2), the Attorney General, or the  
12          head of any other department or agency of the Federal  
13          Government with law enforcement responsibilities, shall  
14          expeditiously disclose to the Director of Central Intel-  
15          ligence, pursuant to guidelines developed by the Attorney  
16          General in consultation with the Director, foreign intel-  
17          ligence acquired by an element of the Department of Jus-  
18          tice or an element of such department or agency, as the  
19          case may be, in the course of a criminal investigation.

20          “(2) The Attorney General by regulation and in con-  
21          sultation with the Director of Central Intelligence may  
22          provide for exceptions to the applicability of paragraph (1)  
23          for one or more classes of foreign intelligence, or foreign  
24          intelligence with respect to one or more targets or matters,  
25          if the Attorney General determines that disclosure of such  
26          foreign intelligence under that paragraph would jeopardize

1 an ongoing law enforcement investigation or impair other  
2 significant law enforcement interests.

3 “(b) PROCEDURES FOR NOTICE OF CRIMINAL INVES-  
4 TIGATIONS.—Not later than 180 days after the date of  
5 enactment of this section, the Attorney General, in con-  
6 sultation with the Director of Central Intelligence, shall  
7 develop guidelines to ensure that after receipt of a report  
8 from an element of the intelligence community of activity  
9 of a foreign intelligence source or potential foreign intel-  
10 ligence source that may warrant investigation as criminal  
11 activity, the Attorney General provides notice to the Direc-  
12 tor of Central Intelligence, within a reasonable period of  
13 time, of his intention to commence, or decline to com-  
14 mence, a criminal investigation of such activity.

15 “(c) PROCEDURES.—The Attorney General shall de-  
16 velop procedures for the administration of this section, in-  
17 cluding the disclosure of foreign intelligence by elements  
18 of the Department of Justice, and elements of other de-  
19 partments and agencies of the Federal Government, under  
20 subsection (a) and the provision of notice with respect to  
21 criminal investigations under subsection (b).”.

22 (b) CLERICAL AMENDMENT.—The table of contents  
23 in the first section of that Act is amended by striking the  
24 item relating to section 105B and inserting the following  
25 new items:

“Sec. 105B. Disclosure of foreign intelligence acquired in criminal investigations; 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

1 Attorney General, the Secretary, and the Director shall  
2 include with the report under that subsection a detailed  
3 proposal for legislation to achieve the reconfiguration.

4 **SEC. 907. NATIONAL VIRTUAL TRANSLATION CENTER.**

5 (a) REPORT ON ESTABLISHMENT.—(1) Not later  
6 than February 1, 2002, the Director of Central Intel-  
7 ligence shall, in consultation with the Director of the Fed-  
8 eral Bureau of Investigation, submit to the appropriate  
9 committees of Congress a report on the establishment and  
10 maintenance within the intelligence community of an ele-  
11 ment for purposes of providing timely and accurate trans-  
12 lations of foreign intelligence for all other elements of the  
13 intelligence community. In the report, the element shall  
14 be referred to as the “National Virtual Translation Cen-  
15 ter”.

16 (2) The report on the element described in paragraph  
17 (1) shall discuss the use of state-of-the-art communica-  
18 tions technology, the integration of existing translation ca-  
19 pabilities in the intelligence community, and the utilization  
20 of remote-connection capacities so as to minimize the need  
21 for a central physical facility for the element.

22 (b) RESOURCES.—The report on the element required  
23 by subsection (a) shall address the following:

24 (1) The assignment to the element of a staff of  
25 individuals possessing a broad range of linguistic

1 and translation skills appropriate for the purposes of  
2 the element.

3 (2) The provision to the element of communica-  
4 tions capabilities and systems that are commensu-  
5 rate with the most current and sophisticated com-  
6 munications capabilities and systems available to  
7 other elements of intelligence community.

8 (3) The assurance, to the maximum extent  
9 practicable, that the communications capabilities and  
10 systems provided to the element will be compatible  
11 with communications capabilities and systems uti-  
12 lized by the Federal Bureau of Investigation in se-  
13 curing timely and accurate translations of foreign  
14 language materials for law enforcement investiga-  
15 tions.

16 (4) The development of a communications in-  
17 frastructure to ensure the efficient and secure use of  
18 the translation capabilities of the element.

19 (c) SECURE COMMUNICATIONS.—The report shall in-  
20 clude a discussion of the creation of secure electronic com-  
21 munications between the element described by subsection  
22 (a) and the other elements of the intelligence community.

23 (d) DEFINITIONS.—In this section:

24 (1) FOREIGN INTELLIGENCE.—The term “for-  
25 eign intelligence” has the meaning given that term

1 in section 3(2) of the National Security Act of 1947  
2 (50 U.S.C. 401a(2)).

3 (2) ELEMENT OF THE INTELLIGENCE COMMU-  
4 NITY.—The term “element of the intelligence com-  
5 munity” means any element of the intelligence com-  
6 munity specified or designated under section 3(4) of  
7 the National Security Act of 1947 (50 U.S.C.  
8 401a(4)).

9 **SEC. 908. TRAINING OF GOVERNMENT OFFICIALS REGARD-**  
10 **ING IDENTIFICATION AND USE OF FOREIGN**  
11 **INTELLIGENCE.**

12 (a) PROGRAM REQUIRED.—The Attorney General  
13 shall, in consultation with the Director of Central Intel-  
14 ligence, carry out a program to provide appropriate train-  
15 ing to officials described in subsection (b) in order to as-  
16 sist such officials in—

17 (1) identifying foreign intelligence information  
18 in the course of their duties; and

19 (2) utilizing foreign intelligence information in  
20 the course of their duties, to the extent that the uti-  
21 lization of such information is appropriate for such  
22 duties.

23 (b) OFFICIALS.—The officials provided training  
24 under subsection (a) are, at the discretion of the Attorney  
25 General and the Director, the following:

1           (1) Officials of the Federal Government who  
2           are not ordinarily engaged in the collection, dissemi-  
3           nation, and use of foreign intelligence in the per-  
4           formance of their duties.

5           (2) Officials of State and local governments  
6           who encounter, or may encounter in the course of a  
7           terrorist event, foreign intelligence in the perform-  
8           ance of their duties.

9           (c) AUTHORIZATION OF APPROPRIATIONS.—There is  
10          hereby authorized to be appropriated for the Department  
11          of Justice such sums as may be necessary for purposes  
12          of carrying out the program required by subsection (a).

**Calendar No. 187**

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

**S. 1510**

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**A BILL**

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

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OCTOBER 8, 2001

Read the second time and placed on the calendar