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Medical Assessment and Treatment of Juvenile Offenders

5 Sec. 019. (a) The MOA entered into pursuant to section ---
6 of this Act shall include a specific provision for the development
7 and implementation at each BIA agency and IHS service unit of a
8 procedure for the emergency medical assessment and treatment of
9 every Indian youth arrested or detained by BIA or tribal law
0 enforcement personnel for an offense relating to or involving
1 alcohol or substance abuse.

2 (b) The medical assessment required by subsection (a) shall
3 occur as soon as possible after the arrest or detention of an
4 Indian youth and shall be provided by IHS, either through its
5 direct or contract health service. The medical assessment required
6 by this section shall be for the purpose of determining the mental
7 or physical state of the individual so that appropriate steps can
8 be taken to protect his health and well-being.

Source Eradication

19 Sec. 020. (a) The Secretary of the Interior, in cooperation
20 with appropriate Federal, tribal and State and local law
21 enforcement agencies, shall establish and implement a program for
22 the eradication of marijuana cultivation within Indian country as
23 defined in section 1151 of title 18, United States code.
24

25 (b) To carry out the program established under subsection (a)
26 of this section, there is authorized to be appropriated not to
27 exceed \$1,500,000 for each of the fiscal years 1987, 1988, and
28 1989. The Secretary shall establish a priority for the use of such

funds for those Indian reservations where the scope of the problem is most critical and such funds shall be available for contracting by Indian tribes pursuant to the Indian Self-Determination Act.

Papago Reservation: Illegal Narcotics Traffic

Sec. 021. (a) The Secretary of the Interior shall provide assistance to the Papago Indian Tribe (Tohono O'odham) of Arizona for the investigation and control of illegal narcotics traffic on the Papago Reservation along the border with the State of Mexico. The Secretary shall ensure that tribal efforts are coordinated with appropriate Federal law enforcement agencies, including the United States Custom Service.

(b) For the purpose of providing the assistance required by subsection (a), there is authorized to be appropriated not to exceed \$1,000,000 for each of the fiscal years 1987, 1988, and 1989.

Juvenile Detention Centers

Sec. 022. (a) The Secretary of the Interior shall develop and implement a plan for the construction or renovation and staffing of tribal juvenile detention and rehabilitation centers for Indian tribes. In the development of the plan and in the allocation of funds under this section, the Secretary shall insure that the construction and operation of tribal juvenile detention centers shall be consistent with the Juvenile Justice and Delinquency Prevention Act of 1974.

(b) For the purpose of this section, there is authorized to be appropriated not to exceed \$24,000,000 for each of the fiscal years 1987, 1988, and 1989.

Model Indian Juvenile Code

Sec. 023. The Secretary of the Interior, either directly or by contract, shall provide for the development of a Model Indian Juvenile Code which shall be consistent with the provisions of the Juvenile Justice and Delinquency Prevention Act of 1974 and which shall include provisions relating to the disposition of cases involving Indian youth arrested or detained by BIA or tribal law enforcement personnel for alcohol or drug related offenses. The development of such model code shall be accomplished in cooperation with Indian organizations having an expertise or knowledge in the field of law enforcement and judicial procedure and in consultation with Indian tribes. Upon completion of the Model Code, the Secretary shall make copies available to each Indian tribe.

Law Enforcement and Judicial Report

Sec. 024. (a) The Secretary of the Interior, with respect to the administration of any law enforcement or judicial services program by the BIA, either directly or through contracts under the Indian Self-Determination Act, shall require the compilation of data relating to calls and encounters, arrests and detentions, and disposition of cases by BIA or tribal law enforcement or judicial personnel involving Indians where it is determined that alcohol or drug abuse is a contributing factor.

(b) The data compiled pursuant to subsection (a) shall be provided annually to the affected Indian tribe and Tribal Coordinating Committee to assist them in developing or modifying a TAP and shall also be submitted to the IHS service unit director

who will have the responsibility for compiling a tribal comprehensive report as provided in section 026 of this Act.

(c) In carrying out the requirements of this section, the Secretary shall insure that the data is compiled and reported in a manner which will preserve the confidentiality of the families and individuals involved.

Part 6--Indian Alcohol and Substance Abuse

Treatment and Rehabilitation

Review of Programs

Sec. 025. (a) In the development of the MOA required by section 005 of this Act, the Secretaries shall review and consider--

(1) the various programs established by Federal law providing health services and benefits to Indian tribes, including those relating to mental health and alcohol and substance abuse prevention and treatment, and

(2) tribal, State and local, and private health resources and programs,

(3) where facilities to provide such treatment are or should be located; and

(4) the effectiveness of public and private alcohol and substance abuse treatment programs in operation on the date of the enactment of this Act,

to determine their applicability and relevance in carrying out the purposes of this Act.

(b) The results of the review conducted pursuant to this section shall be provided to every Indian tribe as soon as possible for their consideration and use in the development or modification of a TAP.

IHS Responsibilities

Sec. 026. The MOA entered into pursuant to section 005 of this Act shall include specific provisions pursuant to which IHS shall assume responsibility for--

(1) the determination of the scope of the problem of alcohol and substance abuse among Indian people, including the number of Indians within the jurisdiction of IHS who are directly or indirectly affected by alcohol and substance abuse, and the financial and human cost:

(2) an assessment of the existing and needed resources necessary for the prevention and treatment of Indians affected by alcohol and substance abuse; and

(3) an estimate of the funding necessary to adequately support a program of prevention and treatment of Indians affected by alcohol and substance abuse.

Alcohol and Substance Abuse Treatment

Sec. 027. (a) The Secretary of Health and Human Services, acting through the Indian Health Service, shall provide a program of comprehensive alcohol and substance abuse prevention and treatment which shall include--

(1) primary prevention, through educational intervention, in Indian communities;

- (2) acute detoxification and treatment;
- (3) community-based rehabilitation; and
- (4) community education and involvement, including extensive training of health care, educational, and community-based personnel.

The target population of such a program shall be the members of Indian tribes, with particular emphasis on Indian youth, and the members of the Indian community involved in the provision of health, education, judicial, law enforcement, legal, and social services to this population.

(b)(1) The Secretary shall develop and implement a program for acute detoxification and treatment for Indian youth who are alcohol and substance abusers. The program shall include regional treatment centers designed to provide 28 to 45 days detoxification and initial rehabilitation for both sexes on a referral basis. These regional centers shall be integrated with the intake and rehabilitation programs based in the referring Indian community.

(2) The Secretary, with funds appropriated pursuant to this subsection, shall begin the construction of eleven regional treatment centers serving the Indian tribes under the jurisdiction of the eleven BIA area offices. These regional treatment centers shall be appropriately staffed with health professionals, including psychologists, alcohol and substance abuse counselors, physical fitness professionals, nutritionists, physicians, nurses and administrative and support staff.

(3) There is authorized to be appropriated for the construction of the regional treatment centers not to exceed

\$4,000,000. There is also authorized to be appropriated not to exceed \$8,250,000 for each of the fiscal years 1987, 1988, and 1989 to provide staff for such centers.

(c)(1) The Secretary in cooperation with the Secretary of the Interior, shall develop and implement within IHS service unit a community-based rehabilitation and follow-up services for Indian youth who are alcohol or substance abusers which is designed to integrate long-term treatment and to monitor and support the Indian youth after their return to their home community.

(2) These services shall be administered within each service unit by trained staff within the community who can assist the Indian youth in continuing development of self-image, positive problem-solving skills, and non-alcohol or substance abusing behaviors. Such staff shall include alcohol and substance abuse counselors, mental health professionals, and other health professionals and para-professionals, including Community Health Representatives.

(3) For the purpose of providing the services authorized by this section, there is authorized to be appropriated \$18,000,000 for each of the fiscal years 1987, 1988, and 1989.

(d)(1) The Secretary, in cooperation with the Secretary of the Interior, shall develop and implement within each service unit a program of community education and involvement which shall be designed to provide concise and timely information to the community leadership of each tribal community. Such program shall include training in alcohol and substance abuse to the critical core of

each tribal community, including political leaders, tribal judges, law enforcement personnel, members of tribal and health and education boards, and other critical parties.

(2) For the purpose of implementing the program established by this section, there is authorized to be appropriated \$4,000,000 for fiscal year 1987, \$1,000,000 for fiscal year 1988, and \$500,000 for fiscal year 1989.

(e)(1) The Secretary shall require that existing health staff of the IHS, particularly those at the service unit level, shall receive the necessary training in alcohol and substance abuse to enable IHS to address that problem in a coordinated manner with common approaches. In carrying out that responsibility, the Secretary shall make available to Community Health Representatives funded by IHS additional training in prevention strategies that will support a school-based program; early symptoms of alcohol and substance abuse for early case-identification; and strategies for maintenance of alcohol and substance-free life-styles, including fitness programs, nutritional awareness programs, recreational alternatives, and cultural activities.

(2) For the purpose of providing the training required by this section, there is authorized to be appropriated \$4,000,000 for fiscal year 1987, \$2,000,000 for fiscal year 1988, and \$500,000 for fiscal year 1989.

(f)(1) The Secretary, in cooperation with the Secretary of the Interior, shall develop and implement a program of primary prevention of alcohol and substance abuse among Indian youth through education intervention. Such a program shall include--

(A) the training of counselors and supervisors employed in Head Start programs serving Indian tribes in methods to enhance the self-image of Indian children attending such Head Start programs;

(B) the development and implementation of a program of instruction in alcohol and substance abuse in the curricula of BIA schools and schools operated under contracts entered into pursuant to the Indian Self-Determination Act as provided in subsection (c) of section 011 of this Act; and

(C) the training of counselors, teachers, and other educational professionals in such schools in alcohol and substance abuse.

(2) For the purpose of carrying out the provisions of--

(A) subparagraph (A) of subsection (b)(1) of this section, there is authorized to be appropriated \$1,000,000 for each of the fiscal years 1987, 1988, and 1989;

(B) subparagraph (B) of subsection (b)(1) of this section, there is authorized to be appropriated \$1,000,000 for each of the fiscal years 1987, 1988, and 1989; and

(C) subparagraph (C) of subsection (b)(1) of this section, there is authorized to be appropriated \$1,250,000 for each of the fiscal years 1987, 1988, and 1989.

IHS Reports

Sec. 028. (a) The Secretary of Health and Human Services, with respect to the administration of any health program by an IHS service unit, directly or through contract, including a contract

under the Indian Self-Determination Act, shall require the compilation of data relating to the number of cases or incidents which any of the IHS personnel or services were involved and which were related, either directly or indirectly, to alcohol or substance abuse. Such report shall include the type of assistance provided and the disposition of these cases.

(b) The data compiled pursuant to subsection (a) shall be provided annually to the affected Indian tribe and Tribal Coordinating Committee to assist them in developing or modifying a TAP.

(c) In addition, the service unit director shall be responsible for assembling the data compiled under this section and sections 014 and 024 of this act into an annual tribal comprehensive report which shall be provided to the affected tribe and to the Director of the Indian Health Service who shall develop and publish a biennial national report on such tribal comprehensive reports.



SUBTITLE B -- National Park Service Program

~~PKPOLICE~~

Sec. _____, Authorization.
(National)
~~Suggested language for Park Police Funds~~

In order to improve Federal law enforcement activities relating to the use of narcotics and prohibited substances in national park system units, in addition to sums made available under other authority of law, there is hereby made available to the Secretary of the Interior \$1,000,000 for the fiscal year 1987, and for each fiscal year thereafter, to be used for the employment and training of additional Park Police and for equipment and facilities to be used by Park Police, and for expenses related to the foregoing.



SUBTITLE C -- PROGRAMS IN U.S. INSULAR AREAS

ANNUAL REPORTS TO CONGRESS

Sec. 201. The President shall report annually to the Congress as to --

9- (a) the efforts of the Customs Service and other federal agencies to prevent the illegal entry into the United States of controlled substances from the insular areas of the United States outside the customs territory of the United States and states freely associated with the United States;

(b) the adequacy of arrangements with states freely associated with the United States to prevent the illegal entry to controlled substances into the United States and its territories and commonwealths; and

(c) the efforts of federal law enforcement agencies to prevent the illegal entry from other nations, including states freely associated with the United States, of controlled substances into the United States territories and commonwealths from other for consumption in those island or for transshipment to the United States.



Sec: 202. Enforcement and Administration in Insular Areas

~~AMERICAN SAMOA~~

(a) American Samoa- (1)

~~See. 110~~ With the approval of the Attorney General of the United States or his designee, law enforcement officers of the Government of American Samoa are authorized to --

(A) execute and serve warrants, subpoenae, and summons issued under the authority of the United States;

(B) make arrests without warrant; and

(C) make seizures of property to carry out the purposes of this Act, the Controlled Substances Import and Export Act (21 U.S.C. 951-970) and any other narcotics laws of the United States.

(2) The Attorney General of the United States is authorized to --

(A) train law enforcement officers of the Government of American Samoa and

(B) provide by purchase or lease law enforcement equipment, including aircraft and high-speed vessels, and technical assistance to the Government of American Samoa to carry out the purposes of this Act.

(3) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section, to remain available until expended.



40

~~GUAM~~

(b) Guam--(1)

~~Section 101~~ (A) The Drug Enforcement Agency and the Federal Bureau of Investigation shall each assign no less than two narcotics enforcement agents to Guam;

^B
(A) The Coast Guard shall assign and maintain at least four patrol vessels in Guam and the Northern Mariana Islands at all times; and

^C
(A) The Customs Service and the Postal Service shall assign officers to work in conjunction with the personnel assigned to Guam pursuant to paragraphs (1) and (2) and other narcotics enforcement agents in Guam.

²
(A) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section, to remain available until expended.



(c) THE NORTHERN MARIANA ISLANDS -- (1)

~~Section (a)~~ With the approval of the Attorney General of the United States or his designee, law enforcement officers of the Government of the Northern Mariana Islands are authorized to --

^A
(A) execute and serve warrants, subpoenae, and summons issued under the authority of the United States;

^B
(A) make arrests without warrant; and

^C
(A) make seizures of property to carry out the purposes of this Act, the Controlled Substances Import and Export Act (21 U.S.C. 951-970) and any other narcotics laws of the United States.

²
(A) The Attorney General of the United States is authorized to --

^A
(A) train law enforcement officers of the Government of American Samoa and

^B
(A) provide by purchase or lease law enforcement equipment, including aircraft and high-speed vessels, and technical assistance to the Government of the Northern Mariana Islands to carry out the purposes of this Act.

³
(A) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section, to remain available until expended.

⁴
(A) Federal personnel and equipment assigned to Guam pursuant to ^{subsection (b)} ~~Section~~ ^{Section} of this ~~Act~~ shall also be available to carry out the purposes of this Act in the Northern Mariana Islands.

(42)

(d) PUERTO RICO -- (1)

~~See~~ (a) There are hereby authorized to be appropriated the following amounts to carry out the purposes of this Act --

^A
(A) For grants to the Government of Puerto Rico:

¹
(A) \$3,300,000 for the purchase of two helicopters;

²
(B) \$3,500,000 for the purchase of an aircraft; and

³
(C) \$1,000,000 for the purchase and maintenance of 5 high speed vessels; and

^B
(A) For the U.S. Customs Service in Puerto Rico:

\$13,000,000 for the purchase of a radar equipped lighter-than-air vehicle with adequate training and staffing, such sums to remain available until expended.

²
(A) The 140th and 141st aircraft control and warning squadrons of the Puerto Rico Air National Guard are authorized to provide whatever assistance may be necessary in order to assist drug interdiction efforts.

³
(A) The Drug Enforcement Administration shall assign and maintain no less than 26 agents in Puerto Rico.

⁴
(A) The Federal Bureau on Investigations shall assign and maintain no less than 96 agents in Puerto Rico.

⁵
(A) There are authorized to be appropriated such sums as may be necessary to establish and maintain, with adequate training and staffing, one federal aviation and communications command and control center in Puerto Rico to be made available to federal and local agencies involved in drug interdiction.

⁶
(A) Equipment provided to the Government of Puerto Rico pursuant to paragraph (1) of this subsection shall be made available upon request to the federal agencies involved in drug interdiction in Puerto Rico.

(e) THE VIRGIN ISLANDS -- (1)

~~Sec. 1~~ (a) There are authorized to be appropriated for grants to the Government of the Virgin Islands to carry out the purposes of this Act --

^A
(A) \$3,000,000 for two patrol vessels, tracking equipment, supplies, and agents, and

^B
(A) \$1,000,000 for programs to prevent narcotics abuse, such sums to remain available until expended.

²
(A) The Drug Enforcement Agency and the Federal Bureau of Investigation shall assign no less than two narcotics enforcement agents to the U.S. Virgin Islands.

³
(A) The Customs Service and the Postal Service shall assign officers to work in conjunction with the personnel assigned pursuant to subsection (b) and other narcotics enforcement agents in the U.S. Virgin Islands.

⁴
(A) The U.S. Coast Guard shall assign and maintain at least one patrol vessel to St. Thomas and St. John and one patrol vessel to St. Croix, Virgin Islands at all times.

Union Calendar No. 474

99TH CONGRESS
2D SESSION**H. R. 5266**

[Report No. 99-786]

To require the President to submit legislation for the reorganization of the Executive branch in order to more effectively combat drug trafficking and drug abuse.

IN THE HOUSE OF REPRESENTATIVES

JULY 29, 1986

Mr. ENGLISH (for himself, Mr. BROOKS, and Mr. KINDNESS) introduced the following bill; which was referred to the Committee on Government Operations

AUGUST 12, 1986

Additional sponsors: Mr. FUQUA, Mr. CONYERS, Mrs. COLLINS, Mr. WAXMAN, Mr. WEISS, Mr. SYNAR, Mr. NEAL, Mr. BARNARD, Mr. LANTOS, Mr. WISE, Mrs. BOXER, Mr. LEVIN of Michigan, Mr. OWENS, Mr. TOWNS, Mr. SPRATT, Mr. KOLTER, Mr. ERDREICH, Mr. KLECZKA, Mr. BUSTAMANTE, Mr. MARTINEZ, Mr. HORTON, Mr. WALKER, Mr. CLINGER, Mr. McCANDLESS, Mr. CRAIG, Mr. NIELSON of Utah, Mr. SAXTON, Mr. SWINDALL, Mr. DELAY, Mr. DIOGUARDI, Mr. ARMEY, Mr. LIGHTFOOT, Mr. MILLER of Washington, Mr. BOULTER, Mr. AUCOIN, Mr. BENNETT, Mr. BORSKI, Mr. DWYER of New Jersey, Mr. FAZIO, Mr. FUSTER, Mr. GEJDENSON, Mr. GRAY of Illinois, Mr. IRELAND, Mr. MITCHELL, Mr. NICHOLS, Mr. NOWAK, Mr. BRYANT, Mr. HEFNER, and Mr. RUSSO

AUGUST 12, 1986

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through]

A BILL

To require the President to submit legislation for the reorganization of the Executive branch in order to more effectively combat drug trafficking and drug abuse.

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. FINDINGS.

4 The Congress finds that—

5 (1) the Federal Government's response to drug
6 trafficking and drug abuse is divided among several
7 dozen agencies and bureaus of the Government, rang-
8 ing from the Department of Defense to the Department
9 of Health and Human Services;

10 (2) numerous recent congressional hearings and
11 reports, reports by the Comptroller General, and stud-
12 ies by Executive branch agencies have documented the
13 waste and inefficiency caused by this division of re-
14 sponsibilities;

15 (3) interagency competition for credit and budget
16 dollars imposes critical obstacles to efficient application
17 of national resources in combating drug trafficking and
18 drug abuse; and

19 (4) successfully combating such trafficking and
20 drug abuse requires coherent planning that includes in-

1 telligent organization and operations of Executive
2 branch agencies.

3 SEC. 2. SUBMISSION OF LEGISLATION.

4 Not later than 6 months after the date of enactment of
5 this Act, the President shall submit to each House of Con-
6 gress recommendations for legislation to reorganize the Ex-
7 ecutive branch of the Government to more effectively combat
8 ~~international~~ drug traffic and drug abuse. In the preparation
9 of such recommendations, the President shall consult with
10 the Comptroller General, State and local law enforcement
11 authorities, relevant committees of the Congress, and the At-
12 torney General and the Secretaries of State, the Treasury,
13 Transportation, Health and Human Services, Defense, and
14 Education.

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.J.
RES. 631

Strike all after the resolving clause and insert in lieu thereof the following:

1 SECTION 1. SHORT TITLE.

2 This resolution may be cited as the ``White House
3 Conference on Drug Abuse and Control Resolution of 1986``.

4 SEC. 2. AUTHORIZATION OF CONFERENCE.

5 The President shall call a White House Conference on Drug
6 Abuse and Control (in this resolution referred to as the
7 ``Conference``), in accordance with this resolution, not
8 later than 9 months after the date of the approval of this
9 resolution in order to develop recommendations for further
10 action to control the illicit production, trafficking, and
11 distribution of controlled substances internationally and in
12 the United States and to prevent and treat drug abuse.

13 SEC. 3. PURPOSES OF CONFERENCE.

14 (a) IN GENERAL.--The purposes of the Conference are--

15 (1) to increase public awareness of, and to focus
16 attention on, various aspects of the problems of drug
17 abuse and control (including issues of enforcement of
18 controlled substances laws and of prevention, treatment,
19 and rehabilitation of drug abusers);

1 (2) to pool information and experiences in order
2 vigorously and directly to attack drug abuse at all
3 levels-- local, State, Federal, and international; and

4 (3) to assist in formulating a national strategy
5 (encompassing international, Federal, State, and local
6 activities) to control trafficking in controlled
7 substances and to prevent and treat drug abuse.

8 (b) SPECIFIC CONSIDERATIONS.--The Conference shall
9 specifically review--

10 (1) the impact of recently enacted laws (including
11 the Comprehensive Crime Control Act of 1984 and the
12 Balanced Budget and Emergency Deficit Reduction Act of
13 1985) on efforts to control trafficking in controlled
14 substances and to prevent and treat drug abuse,

15 (2) the recommendations of the President's Commission
16 on Organized Crime as they relate to drug abuse and
17 control;

18 (3) the extent to which the sanctions in section 481
19 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291)
20 have been, or should be, used in encouraging foreign
21 states to comply with their international
22 responsibilities respecting controlled substances; and

23 (4) the circumstances contributing to the initiation
24 of illicit drug usage, with particular emphasis on the
25 onset of drug use by youth.

1 SEC. 4. CONFERENCE REPORT AND FOLLOW-UP ACTIONS.

2 (a) FINAL REPORT.--Not more than 6 months after the date
3 on which the Conference is convened, a final report of the
4 Conference shall be submitted to the President and the
5 Congress. The report shall include the findings and
6 recommendations of the Conference as well as proposals for
7 any legislative action necessary to implement the
8 recommendations of the Conference. The final report of the
9 Conference shall be available to the public.

10 (b) FOLLOW-UP ACTIONS.--The President shall report to the
11 Congress annually, during the 3-year period following the
12 submission of the final report of the Conference, on the
13 status and implementation of the findings and recommendations
14 of the Conference.

15 SEC. 5. ORGANIZATION OF CONFERENCE.

16 (a) PARTICIPATION OF APPROPRIATE CABINET OFFICERS AND
17 OTHER OFFICIALS.--The President shall--

18 (1) ensure the active participation in the Conference
19 of appropriate cabinet officers, and

20 (2) shall provide for the involvement in the
21 Conference of--

22 (A) elected officials at the Federal, State, and
23 local levels;

24 (B) persons from business and industry;

25 (C) individuals distinguished in medicine, law,

1 sociology, education, and law enforcement; and

2 (D) private citizens who have first-hand

3 experience with drug abuse.

4 (b) ASSISTANCE OF FEDERAL AGENCIES.--All Federal
5 departments, agencies, and instrumentalities shall provide
6 such support and assistance as may be necessary to facilitate
7 the planning and administration of the Conference.

8 (c) NO PAYMENT OF INDIVIDUAL EXPENSES.--Each participant
9 in the Conference shall be responsible for his or her
10 expenses related to attending the Conference and shall not be
11 reimbursed from funds appropriated to carry out this
12 resolution.

13 (d) DETAIL OF STAFF.--Appropriate cabinet officers may
14 detail employees to work on the planning and administering of
15 the Conference without regard to section 3341(b) of title 5,
16 United States Code.

17 (e) AUTHORIZATION OF APPROPRIATIONS.--There are
18 authorized to be appropriated for fiscal year 1987 to carry
19 out this joint resolution such sums as may be necessary.

20 (f) RESTRICTION ON EXPENDITURES AND CONTRACTING.--New
21 spending authority or authority to enter contracts as
22 provided in this resolution shall be effective only to such
23 extent and in such amounts as are provided in advance in
24 appropriation Acts.

25 SEC. 6. EFFECTIVE DATE.

1 This resolution shall become effective on October 1,
2 1986.

3 SEC. 7. DEFINITIONS.

4 In this resolution:

5 (1) CONTROLLED SUBSTANCES.--The term ``controlled
6 substances`` has the meaning given such term in section
7 102(6) of the Controlled Substances Act (21 U.S.C.
8 802(6)).

9 (2) APPROPRIATE CABINET OFFICER.--The term
10 ``appropriate cabinet officers`` means the Attorney
11 General, the Secretary of State, the Secretary of Health
12 and Human Services, the Secretary of Defense, the
13 Secretary of the Treasury, the Secretary of
14 Transportation, the Secretary of Education, and such
15 other cabinet officers as have responsibilities
16 respecting controlled substances abuse and control
17 (including combating illicit production, trafficking, or
18 distribution of controlled substances).

19 (3) STATE.--The term ``State`` includes the District
20 of Columbia, the Commonwealth of Puerto Rico, the
21 Northern Mariana Islands, the Virgin Islands, Guam, and
22 American Samoa.

Amend the preamble of the resolution to read as follows:

Whereas the illicit production and trafficking of controlled substances abroad and the illicit importation of controlled substances into the United States is increasing each year;

Whereas the social and economic cost in the United States of drug abuse, including increased health care costs, lost productivity, and related crime and violence, is estimated to be more than \$100,000,000,000 annually, and there is a direct relationship between drug abuse and criminal activity and street violence;

Whereas the National Drug Enforcement Policy Board recently stated that drug abuse is a major health problem that damages our social institutions and threatens our most valuable human resource--our young people;

Whereas controlled substances of all kinds are readily available on the streets of major cities in the United States, it is estimated that there are 500,000 heroin addicts, 4,000,000 regular cocaine users, and 20,000,000 regular marijuana users in the United States, and the amount of cocaine available for export to the United States increased by over 50 percent in 1984 and the number of cocaine-related deaths in the United States in 1984 increased by 77 percent;

Whereas the President's Commission on Organized Crime, in its final report, stated that drug trafficking is the most

serious organized crime problem in the world today and is the most widespread and lucrative organized crime activity in the United States, producing revenues exceeding \$110,000,000,000 annually, and that insofar as the violence and corruption associated with drug trafficking threatens the stability of friendly nations, our own national security is jeopardized;

Whereas President Reagan has repeatedly emphasized the importance of the fight against drug abuse and has called drug abuse one of the gravest problems facing the nation;

Whereas the International Narcotics Control Board and the United States Department of State have found that the illicit production, trafficking, and abuse of drugs is international in scope and affects almost every country, and that these activities undermine the economic and social order, spread violence and corruption, and jeopardize the very political stability of some countries;

Whereas despite major strides toward achieving coordination of drug law enforcement among Federal agencies or between Federal efforts and State and local efforts total national control is still needed;

Whereas the flow of drugs into the United States and increased domestic production and diversion place overwhelming burdens on Federal, State, and local police, prosecutors, courts, and correctional authorities, and represents a threat to the national security;

Whereas elected officials and leaders in the fields of law enforcement, health, and education are nearly unanimous in agreement that drug abuse can only be defeated by education, prevention, and other demand reduction efforts;

Whereas demand reduction efforts need more resources, direction, and coordination, having received comparatively less support than have law enforcement and other supply reduction efforts; and

Whereas in order to address these drug control and abuse issues in a coordinated manner and in a manner that responds to the crisis situation at hand, it is necessary to bring together, under sponsorship and with support at the highest level of government, experts in drug abuse issues, ordinary citizens, including those who have suffered the effects of drug abuse and who want to help end it, and officials from all levels of government and all three branches of Government, to make recommendations for development and implementation of a comprehensive national strategy for public and private action to eliminate drug abuse in America: Now, therefore, be it

DESIGNER
DRUGS

MDB839

COMMITTEE AMENDMENT TO H.R. 5246

[1 August 1986]

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the ``Designer Drug Enforcement
3 Act of 1986``.

4 SEC. 2. INCLUSION OF DESIGNER DRUGS IN CONTROLLED SUBSTANCES
5 ACT.

6 (a) DEFINITION.--Section 102 of the Controlled Substances
7 Act (21 U.S.C. 802) is amended by adding at the end thereof
8 the following:

9 `` (31)(A) Except as provided in subparagraph (B), the
10 term `controlled substance analogue' means a substance --

11 `` (i) the chemical structure of which is
12 substantially similar to the chemical structure of a
13 controlled substance in schedule I or II; and

14 `` (ii)(I) which has a stimulant, depressant, or
15 hallucinogenic effect on the central nervous system;
16 or

17 `` (II) with respect to a particular person, which
18 such person represents or intends to have a
19 stimulant, depressant, or hallucinogenic effect on

1 the central nervous system substantially similar to
2 or greater than the stimulant, depressant, or
3 hallucinogenic effect on the central nervous system
4 of a controlled substance.

5 ``(B) Such term does not include--

6 ``(i) a controlled substance;

7 ``(ii) any substance for which there is an
8 approved new drug application;

9 ``(iii) with respect to a particular person any
10 substance, if an exemption is in effect for
11 investigational use, for that person, under section
12 505 of the Federal Food, Drug, and Cosmetic Act (21
13 U.S.C. 355) to the extent conduct with respect to
14 such substance is pursuant to such exemption; or

15 ``(iv) any substance to the extent not intended
16 for human consumption before such an exemption takes
17 effect with respect to that substance.''.
18

 (b) TREATMENT OF CONTROLLED SUBSTANCE ANALOGUES.--Part B
19 of the Controlled Substances Act is amended by adding at the
20 end the following new section:

21 ``TREATMENT OF CONTROLLED SUBSTANCE ANALOGUES

22 ``SEC. 203. A controlled substance analogue shall, to the
23 extent intended for human consumption, be treated, for the
24 purposes of the Controlled Substances Act and the Controlled
25 Substances Import and Export Act as a controlled substance in

1 schedule I.''.

2 (c) CLERICAL AMENDMENT.--The table of contents of the
3 Comprehensive Drug Abuse Prevention and Control Act of 1970
4 is amended by inserting after the item relating to section
5 202 the following new item:

``Sec. 203. Treatment of controlled substance analogues.''.

\$ Laundering

MDB838

COMMITTEE AMENDMENT TO H.R. 5217

[5 August 1986]

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the "Money Laundering Control
3 Act of 1986".

4 SEC. 2. MONEY LAUNDERING OFFENSES.

5 (a) IN GENERAL.--Chapter 95 (relating to racketeering) of
6 title 18, United States Code, is amended by adding at the end
7 thereof the following:

8 "§1956. Money laundering defined and prohibited

9 "(a) OFFENSES.--(1) Whoever, in any of the circumstances
10 set forth in subsection (d), knowingly engages or attempts to
11 engage in a financial transaction in criminally derived
12 property that is derived from a designated offense shall be
13 punished as provided in subsection (b). This paragraph does
14 not apply to financial transactions involving the bona fide
15 fees an attorney accepts for representing a client in a
16 criminal investigation or any proceeding arising therefrom.

17 "(2) Whoever, in any of the circumstances set forth in
18 subsection (d), knowingly engages or attempts to engage in a
19 commercial transaction, knowing the transaction is part of a

1 scheme--

2 ``(A) to conceal criminally derived property that is
3 derived from a designated offense; or

4 ``(B) to disguise the source or ownership of, or
5 control over, criminally derived property that is derived
6 from a designated offense;

7 shall be punished as provided in subsection (b).

8 ``(3) Whoever knowingly transports or attempts to
9 transport a monetary instrument or funds from a place in the
10 United States to or through a place outside the United States
11 or to a place in the United States from or through a place
12 outside the United States, knowing that such transportation
13 is part of a scheme--

14 ``(A) to conceal criminally derived property that is
15 derived from a designated offense; or

16 ``(B) to disguise the source or ownership of, or
17 control over, criminally derived property that is derived
18 from a designated offense;

19 shall be punished as provided in subsection (b).

20 ``(b) PUNISHMENT.--(1) Except as provided in paragraph
21 (2), the punishment for an offense under this section is--

22 ``(A) a fine of not more than \$1,000,000 or
23 imprisonment for not more than 20 years, or both, if the
24 offender is an individual; and

25 ``(B) a fine of not more than \$5,000,000, if the

1 offender is a person other than an individual.

2 `` (2) The court may impose an alternate fine to that
3 imposable under paragraph (1) of not more than twice the
4 amount of the property, funds, or monetary instrument
5 involved in the transaction.

6 `` (c) STATE OF MIND RELATING TO OFFENSE FROM WHICH
7 PROPERTY WAS DERIVED.--In a prosecution for an offense under
8 this section, the Government is not required to prove the
9 defendant knew that the offense from which the criminally
10 derived property was derived was a designated offense.

11 `` (d) CIRCUMSTANCES REQUIRED.--The circumstances referred
12 to in subsection (a) are--

13 `` (1) that the offense under this section takes place
14 in the United States or in the special maritime and
15 territorial jurisdiction of the United States; or

16 `` (2) that the offense under this section takes place
17 outside the United States and such special jurisdiction,
18 but the defendant is a United States person (as defined
19 in section 3077 of this title, but excluding the class
20 described in paragraph (2)(D) of such section).

21 `` (e) INVESTIGATIVE JURISDICTION.--The Secretary of the
22 Treasury shall, in addition to any other agency having such
23 authority, have the authority to investigate offenses under
24 this section, and may delegate such authority to the Internal
25 Revenue Service as appropriate. Such authority of the

1 Secretary of the Treasury shall be exercised in accordance
2 with an agreement which shall be entered into by the
3 Secretary of the Treasury and the Attorney General.

4 “(f) CRIMINAL FORFEITURE.--(1) The court, in imposing
5 sentence on a person convicted of an offense under this
6 section based on conduct consisting of providing services to
7 another that are illegal under this section, shall order that
8 the person forfeit to the United States any property
9 constituting, or derived from, any gross receipts the person
10 obtained, directly or indirectly, as a result of such
11 offense.

12 “(2) Subsections (c) and (e) through (o) of section 413
13 of the Comprehensive Drug Abuse Prevention and Control Act of
14 1970 (21 U.S.C. 853) apply with respect to property subject
15 to forfeiture under this subsection, to any seizure or
16 disposition thereof, and to any administrative or judicial
17 proceeding in relation thereto, to the extent not
18 inconsistent with this section, as they apply to property
19 subject to forfeiture under that Act.

20 “(g) DEFINITIONS.--As used in this section--

21 “(1) the term ‘financial transaction’ means the
22 deposit, withdrawal, transfer, or exchange, in or
23 affecting interstate or foreign commerce, of funds or a
24 monetary instrument by, through, or to a financial
25 institution (as defined in section 5312(a)(2) of title

1 31);

2 `` (2) the term 'commercial transaction' means--

3 `` (A) a financial transaction;

4 `` (B) the creation, in or affecting interstate or
5 foreign commerce, of a debt; or

6 `` (C) the purchase or sale, in or affecting
7 interstate or foreign commerce, of any property of a
8 fair market value or for a price--

9 `` (i) greater than \$10,000; or

10 `` (ii) equal to or less than \$10,000, if
11 effected with the intent to evade criminal
12 jurisdiction under clause (i);

13 `` (3) the term 'criminally derived property' means
14 any property constituting, or derived from, proceeds
15 obtained from a criminal offense;

16 `` (4) the term 'designated offense' means--

17 `` (A) an offense against the United States that
18 is listed in section 1961(1) of this title;

19 `` (B) an offense under section 152 (relating to
20 concealment of assets; false oaths and claims;
21 bribery), section 215 (relating to commissions or
22 gifts for procuring loans), any of sections 500
23 through 503 (relating to certain counterfeiting
24 offenses), section 511 (relating to securities of
25 States and private entities), section 545 (relating

1 to smuggling goods into the United States), section
2 641 (relating to public money, property, or records),
3 section 656 (relating to theft, embezzlement, or
4 misapplication by bank officer or employee), section
5 666 (relating to theft or bribery concerning programs
6 receiving Federal funds), any of section 793 or 794
7 (relating to espionage), section 798 (relating to
8 disclosure of classified information), section 875
9 (relating to interstate communications), section 1201
10 (relating to kidnaping), section 1203 (relating to
11 hostage taking), section 1344 (relating to bank
12 fraud), or either of section 2113 or 2114 (relating
13 to bank and postal robbery and theft) of this title,
14 or under section 38 of the Arms Export Control Act
15 (22 U.S.C. 2778), or section 203 (relating to
16 criminal violations) of the International Economic
17 Powers Act (50 U.S.C. 1702), section 3 (relating to
18 criminal violations) of Trading with the Enemy Act
19 (50 U.S.C. App. 3) or section 2 (relating to criminal
20 violations) of the Export Administration Act of 1979
21 (50 U.S.C. App. 2401); or

22 (C) with respect to a financial transaction or
23 commercial transaction in the United States, an
24 offense against any foreign nation involving the
25 manufacture, importation, sale, or distribution of a

1 controlled substance (as such term is defined for the
2 purposes of the Controlled Substances Act); and

3 `` (5) the term 'monetary instrument' has the meaning
4 given that term for the purposes of subchapter II of
5 chapter 53 of title 31.

6 ``§1957. Civil forfeiture in connection with money laundering

7 `` (a) GENERAL RULE.--The following property is subject to
8 forfeiture to the United States:

9 `` (1) Any property constituting, or derived from, any
10 gross receipts a person obtains, directly or indirectly,
11 as a result of a violation of section 1956 of this title
12 that is based on conduct consisting of providing services
13 to another that are illegal under that section.

14 `` (2) Any property, funds, or monetary instrument
15 involved in a transaction in violation of section 1956 of
16 this title, or the proceeds derived from such property,
17 funds, or instrument, if the designated offense is an
18 offense described in section 1956(g)(4)(C) of this title.

19 `` (b) SEIZURE.--Any property subject to forfeiture to the
20 United States under this section may be seized by the
21 Attorney General or the Secretary of the Treasury, upon
22 process issued pursuant to the Supplemental Rules for certain
23 Admiralty and Maritime Claims by any district court of the
24 United States having jurisdiction over the property, except
25 that seizure without such process may be made when--

1 ``(1) the seizure is pursuant to a lawful arrest or
2 search; or

3 ``(2) the Attorney General or the Secretary of the
4 Treasury, as the case may be, has obtained a warrant for
5 such seizure under the Federal Rules of Criminal
6 Procedure, in which event proceedings under subsection
7 (d) of this section shall be instituted promptly.

8 ``(c) PRESERVATION OF PROPERTY PENDING OUTCOME OF
9 LITIGATION.--Property taken or detained under this section
10 shall not be repleviable, but shall be deemed to be in the
11 custody of the Attorney General or the Secretary of the
12 Treasury, as the case may be, subject only to the orders and
13 decrees of the court or the official having jurisdiction
14 thereof. Whenever property is seized under this subsection,
15 the Attorney General or the Secretary of the Treasury, as the
16 case may be, may--

17 ``(1) place the property under seal;

18 ``(2) remove the property to a place designated by
19 him; or

20 ``(3) require that the General Services
21 Administration take custody of the property and remove
22 it, if practicable, to an appropriate location for
23 disposition in accordance with law.

24 ``(d) PROCEDURE.--For the purposes of this section the
25 provisions of the customs laws relating to the seizure,

1 summary and judicial forfeiture, condemnation of property for
2 violation of the customs laws, the disposition of such
3 property or the proceeds from the sale thereof, the remission
4 or mitigation of such forfeitures, and the compromise of
5 claims (19 U.S.C. 1602 et seq.), insofar as they are
6 applicable and not inconsistent with the provisions of this
7 section, shall apply to seizures and forfeitures incurred, or
8 alleged to have been incurred, under this section, except
9 that such duties as are imposed upon the customs officer or
10 any other person with respect to the seizure and forfeiture
11 of property under the customs laws shall be performed with
12 respect to seizures and forfeitures of property under this
13 section by such officers, agents, or other persons as may be
14 authorized or designated for that purpose by the Attorney
15 General or the Secretary of the Treasury, as the case may be.

16 “(e) DISPOSITION.--(1) Notwithstanding any other
17 provision of the law, the Attorney General or the Secretary
18 of the Treasury, as the case may be, is authorized to retain
19 property forfeited pursuant to this section, or to transfer
20 such property, or the proceeds of the sale of such property,
21 on such terms and conditions as the Attorney General or the
22 Secretary of the Treasury, as the case may be, may determine
23 to--

24 “(A) any other Federal agency; or

25 “(B) any State or local law enforcement agency which

1 participated directly in any of the acts which led to the
2 seizure or forfeiture of the property.

3 `` (2) The Attorney General or the Secretary of the
4 Treasury, as the case may be, shall ensure the equitable
5 transfer pursuant to paragraph (1)(B) of this subsection of
6 any forfeited property (or the proceeds of the sale of such
7 property) to the appropriate State or local law enforcement
8 agency so as to reflect generally the contribution of any
9 such agency participating directly in any of the acts which
10 led to the seizure or forfeiture of such property. A decision
11 by the Attorney General or the Secretary pursuant to
12 paragraph (1)(B) shall not be subject to review. The United
13 States shall not be liable in any action arising out of the
14 use of any property the custody of which was transferred
15 pursuant to this section to any non-Federal agency.

16 `` (3) The Attorney General or the Secretary of the
17 Treasury may order the discontinuance of any forfeiture
18 proceedings under this section in favor of the institution of
19 forfeiture proceedings by State or local authorities under an
20 appropriate State or local statute. After the filing of a
21 complaint for forfeiture under this section, the Attorney
22 General may seek dismissal of the complaint in favor of
23 forfeiture proceedings under State or local law.

24 `` (4) Whenever forfeiture proceedings are discontinued by
25 the United States in favor of State or local proceedings, the

1 United States may transfer custody and possession of the
2 seized property to the appropriate State or local official
3 immediately upon the initiation of the proper actions by such
4 officials.

5 “(5) Whenever forfeiture proceedings are discontinued by
6 the United States in favor of State or local proceedings,
7 notice shall be sent to all known interested parties advising
8 them of the discontinuance or dismissal. The United States
9 shall not be liable in any action arising out of the seizure,
10 detention, and transfer of seized property to State or local
11 officials.

12 “(f) VESTING OF TITLE.--All right, title, and interest
13 in property described in subsection (a) of this section shall
14 vest in the United States upon commission of the act giving
15 rise to forfeiture under this section.

16 “(g) RELATION TO CRIMINAL PROCEEDINGS.--The filing of an
17 indictment or information alleging a violation of law which
18 is also related to a forfeiture proceeding under this section
19 shall, upon motion of the United States and for good cause
20 shown, stay the forfeiture proceeding.

21 “(h) ADDITIONAL VENUE.--In addition to the venue
22 provided for in section 1395 of title 28 or any other
23 provision of law, in the case of property of a defendant
24 charged with a violation that is the basis for forfeiture of
25 the property under this section, a proceeding for forfeiture

1 under this section may be brought in the judicial district in
2 which the defendant owning such property is found or in the
3 judicial district in which the criminal prosecution is
4 brought.''. .

5 (b) CLERICAL-AMENDMENT.--The table of sections at the
6 beginning of chapter 95 (relating to racketeering) of title
7 18, United States Code, is amended by adding at the end the
8 following:

-- 1956. Money laundering defined and prohibited.
1957. Civil forfeiture in connection with money
laundering.''. .

9 (c) WIRETAP AUTHORITY.--Section 2516(1)(c) of title 18,
10 United States Code, is amended by inserting ``section 1956
11 (money laundering),'' after ``section 1955 (prohibition of
12 business enterprises of gambling),''.

13 SEC. 3. INDIVIDUAL APPROVAL OF APPLICATION OF EXEMPTIONS.

14 (a) IN GENERAL.--Section 5318 of title 31, United States
15 Code, is amended by adding at the end of paragraph (3)
16 thereof the following new sentence: ``A person shall not
17 qualify for an exemption prescribed under this paragraph
18 until, upon application signed by such person, the relevant
19 financial institution or financial agency certifies to the
20 Secretary that the content of such application is consistent
21 with the information known to such institution or agency.''. .

22 (b) EFFECTIVE DATE.--The amendment made by subsection (a)
23 shall apply to all exemptions under section 5318 of title 31,

1 United States Code, after the 90th day after the date of the
2 enactment of this Act.

3 SEC. 4. FOREIGN TRANSACTIONS.

4 (a) INCHOATE OFFENSE.--Section 5316(a)(1) of title 31,
5 United States Code, is amended--

6 (1) by striking out ``or attempts to transport or
7 have transported,``; and

8 (2) by inserting ``, is about to transport,`` after
9 ``transports``.

10 (b) REGULATIONS RESPECTING CUMULATION OF
11 TRANSACTIONS.--Section 5316 of title 31, United States Code,
12 is amended by adding at the end the following:

13 `` (d) The Secretary of the Treasury may prescribe
14 regulations under this section defining the term `at one
15 time` for the purposes of subsection (a). Such regulations
16 may permit the cumulation of closely related events in order
17 that such events may collectively be considered to occur at
18 one time for the purposes of such subsection (a).``.

19 SEC. 5. DISCLOSURE OF INFORMATION BY FINANCIAL INSTITUTIONS.

20 (a) FURNISHING OF DETAILS.--Section 1103(c) of the Right
21 to Financial Privacy Act of 1978 (12 U.S.C. 3403(c)) is
22 amended by adding at the end the following: ``Such
23 notification may include the furnishing of details (including
24 name, account number, and description of possible violation)
25 sufficient to enable such Government authority to obtain

1 access to or copies of such information pursuant to law. Such
2 information may be so disclosed notwithstanding any State or
3 local law to the contrary.''.
4

5 (b) PROTECTION FROM LIABILITY.--Section 1117(c) of the
6 Right to Financial Privacy Act of 1978 (12 U.S.C. 3417(c)) is
7 amended--

8 (1) by inserting ``or providing in good faith a
9 notification referred to in section 1103(c) of this Act''
10 after ``authority''; and

11 (2) by inserting ``or notification'' after ``such
12 disclosure''.

13 (c) NONDISCLOSURE ORDER.--Section 1113(i) of the Right to
14 Financial Privacy Act of 1978 (12 U.S.C. 3413(i)) is amended
15 by adding at the end the following: ``A court may, for a
16 cause shown that would justify delay in notice under section
17 1109, issue an order precluding, for such time as the court
18 deems appropriate, the recipient of a grand jury subpoena for
19 financial records from notifying any other person (except the
20 recipient's attorney) of the existence of the subpoena.''.
21

22 SEC. 6. COMPLIANCE AUTHORITY FOR SECRETARY OF TREASURY AND
23 RELATED MATTERS.

24 (a) IN GENERAL.--Section 5318 of title 31, United States
25 Code, is amended--

26 (1) by inserting ``(a) GENERAL POWERS OF
27 SECRETARY.--'' before ``The Secretary of the Treasury'';

1 (2) in paragraph (1), by inserting ``except as
2 provided in subsection (b)(2),'' before ``delegate'';
3 (3) by striking out ``and'' at the end of paragraph
4 (2);

5 (4) by inserting after paragraph (2) the following:

6 ``(3) examine any books, papers, records, or other
7 data of domestic financial institutions relevant to the
8 recordkeeping or reporting requirements of this
9 subchapter;

10 ``(4) summon a financial institution or an officer or
11 employee of a financial institution, or a former officer
12 or employee, or any person having possession, custody, or
13 care of the reports and records required under this
14 subchapter, to appear before the Secretary of the
15 Treasury or his delegate at a time and place named in the
16 summons and to produce such books, papers, records, or
17 other data, and to give testimony, under oath, as may be
18 relevant or material to an investigation described in
19 subsection (b); and'';

20 (5) by redesignating paragraph (3) as paragraph (5);
21 and

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

23 ``(b) LIMITATIONS ON SUMMONS POWER.--(1) The purpose for
24 which the Secretary of the Treasury may take any action
25 described in paragraph (3) or (4) of subsection (a) is

1 limited to investigating violations of this subchapter,
2 violations of section 21 of the Federal Deposit Insurance Act
3 (12 U.S.C. 1829b), violations of section 411 of the National
4 Housing Act (12 U.S.C. 1730d), or violations of chapter 2 of
5 Public Law 91-508 for the purpose solely of civil enforcement
6 of these provisions or any regulation issued thereunder.

7 “(2) A summons may be issued under subsection (a)(4)
8 only by, or with the approval of, the Secretary of the
9 Treasury or a supervisory level delegate of the Secretary of
10 the Treasury.

11 “(c) ADMINISTRATIVE ASPECTS OF SUMMONS.--A summons
12 pursuant to this section may require that books, papers,
13 records, or other data stored or maintained at any place be
14 produced at any designated location in any State or in any
15 territory or other place subject to the jurisdiction of the
16 United States not more than 500 miles distant from any place
17 where the financial institution operates or conducts business
18 in the United States. Persons summoned under this section
19 shall be paid the same fees and mileage for travel in the
20 United States that are paid witnesses in the courts of the
21 United States. The United States shall not be liable for any
22 other expenses incurred in connection with the production of
23 books, papers, records, or other data under this section.

24 “(d) SERVICE OF SUMMONS.--Service of a summons issued
25 under this section may be by registered mail or in such other

1 manner calculated to give actual notice as the Secretary may
2 provide by regulation.

3 “(e) CONTUMACY OR REFUSAL.--In the case of contumacy by
4 or refusal to obey a summons issued to any person under this
5 section, the Secretary shall refer the matter to the Attorney
6 General. The Attorney General may invoke the aid of any court
7 of the United States within the jurisdiction of which the
8 investigation which gave rise to the summons is being or has
9 been carried on or of which the person summoned is an
10 inhabitant, or in which he carries on business or may be
11 found, to compel compliance with the summons. The court may
12 issue an order requiring the person summoned to appear before
13 the Secretary or his delegate to produce books, papers,
14 records, and other data, to give testimony as may be
15 necessary to explain how such material was compiled and
16 maintained, and to pay the costs of the proceeding. Any
17 failure to obey the order of the court may be punished by the
18 court as a contempt thereof. All process in any such case may
19 be served in any judicial district in which such person may
20 be found.”.

21 (b) CORRECTION OF CROSS REFERENCES.--Sections 5321 and
22 5322 of title 31, United States Code, are each amended by
23 striking out “5318(2)” each place it appears and inserting
24 “5318(a)(2)” in lieu thereof.

25 SEC. 7. CIVIL AND CRIMINAL PENALTY MODIFICATION.

1 (a) STATE OF MIND REQUIREMENTS.--

2 (1) CIVIL PENALTIES.--Section 5321(a) of title 31,
3 United States Code, is amended by striking out
4 ``willfully`` and inserting in lieu thereof ``knowingly
5 or with reckless disregard for a duty imposed by this
6 subchapter``.

7 (2) CRIMINAL PENALTIES.--Each of subsections (a) and
8 (b) of section 5322 of title 31, United States Code, is
9 amended by striking out ``willfully`` and inserting in
10 lieu thereof ``knowingly``.

11 (b) MAXIMUM CRIMINAL FINE INCREASE.--Section 5322(b) of
12 title 31, United States Code, is amended by striking out
13 ``\$500,000`` and inserting in lieu thereof ``\$1,000,000 if
14 the person is an individual (and not more than \$5,000,000 in
15 any other case)``.

Authorization

5393REPT

will have further
technical improvements

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 5393

August 15, 1986

(Showing the text ordered reported by the Committee on the
Judiciary on August 13, 1986.)

Strike out all after the enacting clause and insert in
lieu thereof the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the ``Drug Enforcement
3 Enhancement Act of 1986``.

4 SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

5 (a) DRUG ENFORCEMENT ADMINISTRATION.--There is authorized
6 to be appropriated for fiscal year 1987 for the Department of
7 Justice, in addition to any amounts appropriated before the
8 date of the enactment of this Act for fiscal year 1987,
9 \$60,000,000 for the Drug Enforcement Administration.

10 (b) ASSISTANT UNITED STATES ATTORNEYS.--There is
11 authorized to be appropriated for fiscal year 1987 for the
12 Department of Justice, in addition to any amounts
13 appropriated before the date of the enactment of this Act for
14 fiscal year 1987, \$31,000,000 for United States attorneys for
15 assistant United States attorneys.

16 (c) DRUG LAW ENFORCEMENT BY DEPARTMENT OF JUSTICE.--There