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1 program developed by each major illicit drug producing coun-
2 try to determine whether such drug eradication program is
3 adequate to meet the purposes of this subtitle. If the Secre-
4 tary determines, with the concurrence of the Administrator,
5 that the program is adequate for such purposes, the Secre-
6 tary shall certify to the Secretary of the Treasury that such
7 determination has been made.

8 (e) ANNUAL REVIEW OF PROGRAM.—After a drug
9 eradication program has been certified under subsection (d),
10 the Secretary of State, in cooperation with the Administrator
11 of the Drug Enforcement Administration, shall review on an
12 annual basis the implementation and operation of the drug
13 eradication program to determine whether adequate progress
14 has been made in meeting the goals and the timetable estab-
15 lished under such program. If the Secretary determines, with
16 the concurrence of the Administrator, that adequate progress
17 has been made, the Secretary shall certify to the Secretary of
18 the Treasury that such determination has been made.

19 (f) EXECUTIVE DIRECTORS TO VOTE AGAINST LOANS
20 TO COUNTRIES WHICH FAIL TO DEVELOP DRUG ERADI-
21 CATION PROGRAMS.—If, by the end of the 1-year period be-
22 ginning on the date of the enactment of this subtitle, the
23 Secretary of the Treasury has not received certification under
24 subsection (d) that a major illicit drug producing country has
25 developed an adequate drug eradication program, the Secre-

1 tary shall instruct the United States Executive Directors of
2 the multilateral development banks to vote against loans or
3 other utilization of funds of the respective banks for the bene-
4 fit of such country until such time as the Secretary instructs
5 such Directors that such certification has been received
6 unless the loans or utilization of funds are directed specifical-
7 ly to programs which serve the basic human needs of the
8 citizens of such country.

9 (g) EXECUTIVE DIRECTORS TO VOTE AGAINST LOANS
10 TO COUNTRIES WHICH FAIL TO CARRY OUT DRUG ERADI-
11 CATION PROGRAMS.—If, by the end of any calendar year
12 beginning after the 1-year period described in subsection (f),
13 the Secretary of the Treasury has not received certification
14 under subsection (e) (with respect to such year) that a major
15 illicit drug producing country is making adequate progress in
16 carrying out its drug eradication program, the Secretary shall
17 instruct the United States Executive Directors of the multi-
18 lateral development banks to vote against loans or other utili-
19 zation of funds of the respective banks for the benefit of such
20 country until such time as the Secretary instructs such Direc-
21 tors that such certification has been received unless the loans
22 or utilization of funds are directed specifically to programs
23 which serve the basic human needs of the citizens of such
24 country.

1 (h) INCREASES IN MULTILATERAL DEVELOPMENT

2 BANK LENDING FOR CROP SUBSTITUTION PROJECTS.—

3 The Secretary of the Treasury shall instruct the United
4 States Executive Directors of the multilateral development
5 banks to initiate discussions with other Directors of their re-
6 spective banks and to propose that each such bank increase
7 the amount of lending by such bank for crop substitution pro-
8 grams which will provide an economic alternative for the cul-
9 tivation or production of illicit narcotic drugs or other con-
10 trolled substances in countries described in subsection (a), to
11 the extent such countries develop and maintain adequate
12 drug eradication programs.

13 (i) REPORTING REQUIREMENT.—

14 (1) NATIONAL ADVISORY COUNCIL REPORT.—

15 The Secretary of the Treasury shall include in the
16 annual report to the Congress by the National Adviso-
17 ry Council on International Monetary and Financial
18 Policies a detailed accounting of the manner in which
19 and the extent to which the requirements of this sec-
20 tion have been carried out.

21 (2) INTERNATIONAL NARCOTICS STRATEGY
22 REPORT.—The accounting made under paragraph (1)
23 shall also be included in the report submitted to the
24 Congress pursuant to section 481(e) of the Foreign As-
25 sistance Act of 1961 (22 U.S.C. 2291(e)).

1 (j) DEFINITIONS.—For purposes of this section—

2 (1) the terms “controlled substance”, “narcotic
3 drug”, and “Drug Enforcement Administration” have
4 the meanings given to such terms in section 102 of the
5 Controlled Substances Act (21 U.S.C 802); and

6 (2) the term “major illicit drug producing coun-
7 try” has the meaning provided in section 481(i)(2) of
8 the Foreign Assistance Act of 1961 (22 U.S.C.
9 2291(i)(2)).

10 **SEC. 534. CONFORMING AMENDMENTS.**

11 (a) INTERNATIONAL DEVELOPMENT ASSOCIATION
12 ACT.—Section 13 of the International Development Associa-
13 tion Act (22 U.S.C. 284k) is amended to read as follows:

14 **“SEC. 13. OPPOSITION TO ASSISTANCE FOR MAJOR ILLICIT**
15 **DRUG PRODUCING COUNTRIES WHICH FAIL TO**
16 **TAKE ADEQUATE DRUG CONTROL MEASURES.**

17 “The Secretary of the Treasury shall instruct the
18 United States Executive Directors of the International Bank
19 for Reconstruction and Development and the International
20 Development Association to vote against any loan or other
21 utilization of funds of the Bank and the Association for the
22 benefit of any major illicit drug producing country when such
23 action is required—

24 “(1) by the Drug Eradication Act of 1986; or

1 “(2) by section 481(h)(1)(B) of the Foreign Assist-
2 ance Act of 1961 (22 U.S.C. 2291(h)(1)(B)).”.

3 (b) INTER-AMERICAN BANK ACT.—Section 22 of the
4 Inter-American Development Bank Act (22 U.S.C. 283s) is
5 amended to read as follows:

6 **“SEC. 22. OPPOSITION TO ASSISTANCE FOR MAJOR ILLICIT**
7 **DRUG PRODUCING COUNTRIES WHICH FAIL TO**
8 **TAKE ADEQUATE DRUG CONTROL MEASURES.**

9 “The Secretary of the Treasury shall instruct the
10 United States Executive Director of the Bank to vote against
11 any loan or other utilization of funds of the Bank for the
12 benefit of any major illicit drug producing country when such
13 action is required—

14 “(1) by the Drug Eradication Act of 1986; or

15 “(2) by section 481(h)(1)(B) of the Foreign Assist-
16 ance Act of 1961 (22 U.S.C. 2291(h)(1)(B)).”.

17 (c) ASIAN DEVELOPMENT BANK ACT.—Section 19 of
18 the Asian Development Bank Act (22 U.S.C. 285p) is
19 amended to read as follows:

20 **“SEC. 19. OPPOSITION TO ASSISTANCE FOR MAJOR ILLICIT**
21 **DRUG PRODUCING COUNTRIES WHICH FAIL TO**
22 **TAKE ADEQUATE DRUG CONTROL MEASURES.**

23 “The Secretary of the Treasury shall instruct the
24 United States Executive Director of the Asian Development
25 Bank to vote against any loan or other utilization of funds of

1 the Bank for the benefit of any major illicit drug producing
2 country when such action is required—

3 “(1) by the Drug Eradication Act of 1986; or

4 “(2) by section 481(h)(1)(B) of the Foreign Assist-
5 ance Act of 1961 (22 U.S.C. 2291(h)(1)(B)).”.

6 (d) AFRICAN DEVELOPMENT BANK ACT.—The African
7 Development Bank Act (22 U.S.C. 290i et seq.) is amended
8 by adding at the end thereof the following new section:

9 “SEC. 1343. OPPOSITION TO ASSISTANCE FOR MAJOR ILLICIT
10 DRUG PRODUCING COUNTRIES WHICH FAIL TO
11 TAKE ADEQUATE DRUG CONTROL MEASURES.

12 “The Secretary of the Treasury shall instruct the
13 United States Executive Director of the African Develop-
14 ment Bank to vote against any loan or other utilization of
15 funds of the Bank for the benefit of any major illicit drug
16 producing country when such action is required—

17 “(1) by the Drug Eradication Act of 1986; or

18 “(2) by section 481(h)(1)(B) of the Foreign Assist-
19 ance Act of 1961 (22 U.S.C. 2291(h)(1)(B)).”.

20 (e) FOREIGN ASSISTANCE ACT OF 1961.—Section
21 481(h)(1)(B) of the Foreign Assistance Act of 1961 (22
22 U.S.C. 2291(h)(1)(B)) is amended by inserting “the United
23 States Executive Director of the African Development
24 Bank,” after “Inter-American Development Bank,”.

TITLE VI—COMMITTEE ON THE JUDICIARY

Subtitle A—Money Laundering

SEC. 601. SHORT TITLE.

This subtitle may be cited as the “Money Laundering Control Act of 1986”.

SEC. 602. MONEY LAUNDERING OFFENSES.

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

“§ 1956. Money laundering defined and prohibited

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

“(2) Whoever, in any of the circumstances set forth in subsection (d), knowingly engages or attempts to engage in a commercial transaction, knowing the transaction is part of a scheme—

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

1 “(B) to disguise the source or ownership of, or
2 control over, criminally derived property that is derived
3 from a designated offense;
4 shall be punished as provided in subsection (b).

5 “(3) Whoever knowingly transports or attempts to
6 transport a monetary instrument or funds from a place in the
7 United States to or through a place outside the United States
8 or to a place in the United States from or through a place
9 outside the United States, knowing that such transportation
10 is part of a scheme—

11 “(A) to conceal criminally derived property that is
12 derived from a designated offense; or

13 “(B) to disguise the source or ownership of, or
14 control over, criminally derived property that is derived
15 from a designated offense;
16 shall be punished as provided in subsection (b).

17 “(b) PUNISHMENT.—(1) Except as provided in para-
18 graph (2), the punishment for an offense under this section
19 is—

20 “(A) a fine of not more than \$1,000,000 or im-
21 prisonment for not more than 20 years, or both, if the
22 offender is an individual; and

23 “(B) a fine of not more than \$5,000,000, if the
24 offender is a person other than an individual.

1 “(2) The court may impose an alternate fine to that im-
2 posable under paragraph (1) of not more than twice the
3 amount of the property, funds, or monetary instrument in-
4 volved in the transaction.

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

11 “(d) CIRCUMSTANCES REQUIRED.—The circumstances
12 referred 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 ter-
15 ritorial 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 de-
20 scribed in paragraph (2)(D) of such section).

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

1 the Secretary of the Treasury shall be exercised in accord-
 2 ance 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 impos-
 5 ing 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 the
 8 person forfeit to the United States any property constituting,
 9 or derived from, any gross receipts the person obtained, di-
 10 rectly or indirectly, as a result of such offense.

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

19 “(g) DEFINITIONS.—As used in this section—

20 “(1) the term ‘financial transaction’ means the de-
 21 posit, withdrawal, transfer, or exchange, in or affecting
 22 interstate or foreign commerce, of funds or a monetary
 23 instrument by, through, or to a financial institution (as
 24 defined in section 5312(a)(2) of title 31);

25 “(2) the term ‘commercial transaction’ means—

1 “(A) a financial transaction;

2 “(B) the creation, in or affecting interstate or
3 foreign commerce, of a debt; or

4 “(C) the purchase or sale, in or affecting
5 interstate or foreign commerce, of any property of
6 a fair market value or for a price—

7 “(i) greater than \$10,000; or

8 “(ii) equal to or less than \$10,000, if ef-
9 fected with the intent to evade criminal juris-
10 diction under clause (i);

11 “(3) the term ‘criminally derived property’ means
12 any property constituting, or derived from, proceeds
13 obtained from a criminal offense;

14 “(4) the term ‘designated offense’ means—

15 “(A) an offense against the United States
16 that is listed in section 1961(l) of this title;

17 “(B) an offense under section 152 (relating
18 to concealment of assets; false oaths and claims;
19 bribery), section 215 (relating to commissions or
20 gifts for procuring loans), any of sections 500
21 through 503 (relating to certain counterfeiting of-
22 fenses), section 511 (relating to securities of
23 States and private entities), section 545 (relating
24 to smuggling goods into the United States), sec-
25 tion 641 (relating to public money, property, or

1 records), section 656 (relating to theft, embezzle-
2 ment, or misapplication by bank officer or employ-
3 ee), section 666 (relating to theft or bribery con-
4 cerning programs receiving Federal funds), any of
5 section 793 or 794 (relating to espionage), section
6 798 (relating to disclosure of classified informa-
7 tion), section 875 (relating to interstate communi-
8 cations), section 1201 (relating to kidnaping), sec-
9 tion 1203 (relating to hostage taking), section
10 1344 (relating to bank fraud), or either of section
11 2113 or 2114 (relating to bank and postal robbery
12 and theft) of this title, or under section 38 of the
13 Arms Export Control Act (22 U.S.C. 2778), or
14 section 203 (relating to criminal violations) of the
15 International Economic Powers Act (50 U.S.C.
16 1702), section 3 (relating to criminal violations) of
17 Trading with the Enemy Act (50 U.S.C. App. 3)
18 or section 2 (relating to criminal violations) of the
19 Export Administration Act of 1979 (50 U.S.C.
20 App. 2401); or

21 “(C) with respect to a financial transaction
22 or commercial transaction in the United States,
23 an offense against any foreign nation involving the
24 manufacture, importation, sale, or distribution of a
25 controlled substance (as such term is defined for

1 the purposes of the Controlled Substances Act);
2 and

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

6 **“§ 1957. Civil forfeiture in connection with money laun-**
7 **dering**

8 “(a) **GENERAL RULE.**—The following property is sub-
9 ject to forfeiture to the United States:

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

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

20 “(b) **SEIZURE.**—Any property subject to forfeiture to
21 the United States under this section may be seized by the
22 Attorney General or the Secretary of the Treasury, upon
23 process issued pursuant to the Supplemental Rules for cer-
24 tain Admiralty and Maritime Claims by any district court of
25 the United States having jurisdiction over the property,

1 except that seizure without such process may be made
2 when—

3 “(1) the seizure is pursuant to a lawful arrest or
4 search; or

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

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

19 “(1) place the property under seal;

20 “(2) remove the property to a place designated by
21 him; or

22 “(3) require that the General Services Adminis-
23 tration take custody of the property and remove it, if
24 practicable, to an appropriate location for disposition in
25 accordance with law.

1 “(d) **PROCEDURE.**—For the purposes of this section the
2 provisions of the customs laws relating to the seizure, sum-
3 mary and judicial forfeiture, condemnation of property for
4 violation of the customs laws, the disposition of such property
5 or the proceeds from the sale thereof, the remission or miti-
6 gation of such forfeitures, and the compromise of claims (19
7 U.S.C. 1602 et seq.), insofar as they are applicable and not
8 inconsistent with the provisions of this section, shall apply to
9 seizures and forfeitures incurred, or alleged to have been in-
10 curred, under this section, except that such duties as are im-
11 posed upon the customs officer or any other person with re-
12 spect to the seizure and forfeiture of property under the cus-
13 toms laws shall be performed with respect to seizures and
14 forfeitures of property under this section by such officers,
15 agents, or other persons as may be authorized or designated
16 for that purpose by the Attorney General or the Secretary of
17 the Treasury, as the case may be.

18 “(e) **DISPOSITION.**—(1) Notwithstanding any other pro-
19 vision of the law, the Attorney General or the Secretary of
20 the Treasury, as the case may be, is authorized to retain
21 property forfeited pursuant to this section, or to transfer such
22 property, or the proceeds of the sale of such property, on
23 such terms and conditions as the Attorney General or the
24 Secretary of the Treasury, as the case may be, may deter-
25 mine to—

1 “(A) any other Federal agency; or

2 “(B) any State or local law enforcement agency
3 which participated directly in any of the acts which led
4 to the seizure or forfeiture of the property.

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

18 “(3) The Attorney General or the Secretary of the
19 Treasury may order the discontinuance of any forfeiture pro-
20 ceedings under this section in favor of the institution of for-
21 feiture proceedings by State or local authorities under an ap-
22 propriate State or local statute. After the filing of a com-
23 plaint for forfeiture under this section, the Attorney General
24 may seek dismissal of the complaint in favor of forfeiture pro-
25 ceedings under State or local law.

1 “(4) Whenever forfeiture proceedings are discontinued
2 by the United States in favor of State or local proceedings,
3 the United States may transfer custody and possession of the
4 seized property to the appropriate State or local official im-
5 mediately upon the initiation of the proper actions by such
6 officials.

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

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

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

23 “(h) ADDITIONAL VENUE.—In addition to the venue
24 provided for in section 1395 of title 28 or any other provision
25 of law, in the case of property of a defendant charged with a

1 violation that is the basis for forfeiture of the property under
 2 this section, a proceeding for forfeiture under this section
 3 may be brought in the judicial district in which the defendant
 4 owning such property is found or in the judicial district in
 5 which the criminal prosecution is brought.”.

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

“1956. Money laundering defined and prohibited.

“1957. Civil forfeiture in connection with money laundering.”.

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

14 **SEC. 603. DISCLOSURE OF INFORMATION BY FINANCIAL IN-**
 15 **STITUTIONS.**

16 (a) PROTECTION FROM LIABILITY.—Section 1117(c) of
 17 the Right to Financial Privacy Act of 1978 (12 U.S.C.
 18 3417(c)) is amended—

19 (1) by inserting “or providing in good faith a noti-
 20 fication referred to in section 1103(c) of this Act” after
 21 “authority”; and

22 (2) by inserting “or notification” after “such dis-
 23 closure”.

1 (b) NONDISCLOSURE ORDER.—Section 1113(i) of the
 2 Right to Financial Privacy Act of 1978 (12 U.S.C. 3413(i))
 3 is amended by adding at the end the following: “A court
 4 may, for a cause shown that would justify delay in notice
 5 under section 1109, issue an order precluding, for such time
 6 as the court deems appropriate, the recipient of a grand jury
 7 subpoena for financial records from notifying any other
 8 person (except the recipient’s attorney) of the existence of the
 9 subpoena.”.

10 **Subtitle B—Designer Drugs**

11 **SEC. 605. SHORT TITLE.**

12 This subtitle may be cited as the “Designer Drug En-
 13 forcement Act of 1986”.

14 **SEC. 606. INCLUSION OF DESIGNER DRUGS IN CONTROLLED** 15 **SUBSTANCES ACT.**

16 (a) DEFINITION.—Section 102 of the Controlled Sub-
 17 stances Act (21 U.S.C. 802) is amended by adding at the end
 18 thereof the following:

19 “(31)(A) Except as provided in subparagraph (B),
 20 the term ‘controlled substance analogue’ means a
 21 substance—

22 “(i) the chemical structure of which is sub-
 23 stantially similar to the chemical structure of a
 24 controlled substance in schedule I or II; and

1 “(ii)(I) which has a stimulant, depressant, or
2 hallucinogenic effect on the central nervous
3 system; or

4 “(II) with respect to a particular person,
5 which such person represents or intends to have a
6 stimulant, depressant, or hallucinogenic effect on
7 the central nervous system substantially similar to
8 or greater than the stimulant, depressant, or hal-
9 lucinogenic effect on the central nervous system of
10 a controlled substance.

11 “(B) Such term does not include—

12 “(i). a controlled substance;

13 “(ii) any substance for which there is an ap-
14 proved new drug application;

15 “(iii) with respect to a particular person any
16 substance, if an exemption is in effect for investi-
17 gational use, for that person, under section 505 of
18 the Federal Food, Drug, and Cosmetic Act (21
19 U.S.C. 355) to the extent conduct with respect to
20 such substance is pursuant to such exemption; or

21 “(iv) any substance to the extent not intend-
22 ed for human consumption before such an exemp-
23 tion takes effect with respect to that substance.”.

1 (b) TREATMENT OF CONTROLLED SUBSTANCE ANA-
 2 LOGUES.—Part B of the Controlled Substances Act is
 3 amended by adding at the end the following new section:

4 “TREATMENT OF CONTROLLED SUBSTANCE ANALOGUES

5 “SEC. 203. A controlled substance analogue shall, to
 6 the extent intended for human consumption, be treated, for
 7 the purposes of the Controlled Substances Act and the Con-
 8 trolled Substances Import and Export Act as a controlled
 9 substance in schedule I.”.

10 (c) CLERICAL AMENDMENT.—The table of contents of
 11 the Comprehensive Drug Abuse Prevention and Control Act
 12 of 1970 is amended by inserting after the item relating to
 13 section 202 the following new item:

“Sec. 203. Treatment of controlled substance analogues.”.

14 **Subtitle C—More Effective Criminal** 15 **Penalties**

16 **SEC. 607. SHORT TITLE.**

17 This subtitle may be cited as the “Narcotics Penalties
 18 and Enforcement Act of 1986”.

19 **PART I—CONTROLLED SUBSTANCES PENALTIES**

20 **SEC. 608. PENALTIES FOR SERIOUS TRAFFICKERS, PENALTIES**
 21 **FOR MAJOR TRAFFICKERS, AND OTHER PENAL-**
 22 **TY INCREASE AMENDMENTS TO SECTION 401 OF**
 23 **THE CONTROLLED SUBSTANCES ACT.**

24 (a) Section 401 of the Controlled Substances Act (21
 25 U.S.C. 841) is amended by striking out subsection (b) and all

1 that follows through the end of the section and inserting in
2 lieu thereof the following:

3 “(b) Except as otherwise provided in section 405, 405A,
4 or 405B, any person who violates subsection (a) of this sec-
5 tion shall be sentenced as follows:

6 “(1)(A) In the case of a violation of subsection (a)
7 of this section involving—

8 “(i) 1 kilogram or more of a mixture, prepa-
9 ration, or compound containing a detectable
10 amount of heroin;

11 “(ii) 5 kilograms or more of a mixture, prep-
12 aration, or compound containing a detectable
13 amount of cocaine (other than cocaine freebase),
14 ecgonine, their salts, optical and geometric iso-
15 mers, and salts of isomers;

16 “(iii) 2,500 grams or more, or 6,000 tablets
17 or more, of a mixture, preparation, or compound
18 containing a detectable amount of a narcotic drug
19 in schedule I or schedule II (other than a sub-
20 stance described in clause (ii));

21 “(iv) 100 grams or more of a mixture, prepa-
22 ration, or compound containing a detectable
23 amount of cocaine freebase;

1 “(v) 100 grams or more of a mixture, prepa-
2 ration, or compound containing a detectable
3 amount of a controlled substance analogue;

4 “(vi) 100 grams or more of a mixture, prepa-
5 ration, or compound containing a detectable
6 amount of a fentanyl analogue;

7 “(vii)(I) 946 milliliters or more of a liquid
8 mixture, preparation, or compound containing a
9 detectable amount of phencyclidine; or

10 “(II) 34 grams or more of pure phencyclidine
11 or 340 grams or more of a solid mixture, prepa-
12 ration, or compound containing a detectable amount
13 of phencyclidine; or

14 “(viii) 1 gram or more of a mixture, prepa-
15 ration, or compound containing a detectable amount
16 of lysergic acid diethylamide;

17 such person shall be sentenced to a term of imprison-
18 ment of not less than 10 years and not more than 30
19 years, and a fine of not more than \$2,000,000, or both
20 in the case of an individual, or to a fine of not more
21 than \$5,000,000, in the case of a person other than an
22 individual. If the offense under this subparagraph is a
23 second or subsequent controlled substances offense,
24 such person shall be sentenced to a term of imprison-
25 ment for any term of not less than 20 years, or to im-

1 prisonment for life, and a fine of not more than
2 \$4,000,000, or both in the case of an individual, or to
3 a fine of not more than \$10,000,000, in the case of a
4 person other than an individual. Any sentence imposing
5 a term of imprisonment under this subparagraph shall,
6 in the absence of such a prior conviction, impose a spe-
7 cial parole term of at least 4 years in addition to such
8 term of imprisonment and shall, if there was such a
9 prior conviction, impose a special parole term of at
10 least 8 years in addition to such term of imprisonment.

11 “(B) In the case of a violation of subsection (a) of
12 this section involving—

13 “(i) 125 grams or more of a mixture, prepa-
14 ration, or compound containing a detectable
15 amount of heroin;

16 “(ii) 1 kilogram or more of a mixture, prepa-
17 ration, or compound containing a detectable
18 amount of cocaine (other than cocaine freebase),
19 ecgonine, their salts, optical and geometric iso-
20 mers, and salts of isomers;

21 “(iii) 125 grams or more, or 300 tablets or
22 more, of a mixture, preparation, or compound
23 containing a detectable amount of a narcotic drug
24 in schedule I or schedule II, (other than a sub-
25 stance described in clause (ii));

1 “(iv) 20 grams or more of a mixture, prepara-
2 ration, or compound containing a detectable
3 amount of cocaine freebase;

4 “(v) 10 grams or more of a mixture, prepara-
5 tion, or compound containing a detectable amount
6 of a controlled substance analogue;

7 “(vi) 10 grams or more of a mixture, prepara-
8 ration, or compound containing a detectable
9 amount of a fentanyl analogue;

10 “(vii)(I) 28 milliliters or more of a liquid mix-
11 ture, preparation, or compound containing a de-
12 tectable amount of phencyclidine; or

13 “(II) 10 grams or more of pure phencyclidine
14 or 100 grams or more of a solid mixture, prepara-
15 tion, or compound containing a detectable amount
16 of phencyclidine; or

17 “(viii) 500 milligrams or more of a mixture,
18 preparation, or compound containing a detectable
19 amount of lysergic acid diethylamide;

20 such person shall be sentenced to a term of imprison-
21 ment of not less than 5 and not more than 20 years, a
22 fine of not more than \$1,000,000, or both if such
23 person is an individual, or to a fine of not more than
24 \$3,000,000 if such person is other than an individual.
25 If the offense under this subparagraph is a second or

1 subsequent controlled substances offense, such person
2 shall be sentenced to to a term of imprisonment of not
3 less than 10 years and not more than 40 years, and a
4 fine of not more than \$2,000,000, or both in the case
5 of an individual, or to a fine of not more than
6 \$6,000,000, in the case of a person other than an indi-
7 vidual. Any sentence imposing a term of imprisonment
8 under this subparagraph shall, in the absence of such a
9 prior conviction, impose a special parole term of at
10 least 4 years in addition to such term of imprisonment
11 and shall, if there was such a prior conviction, impose
12 a special parole term of at least 8 years in addition to
13 such term of imprisonment.

14 “(C)(i) In the case of—

15 “(I) a controlled substance in schedule I or
16 II (other than a narcotic drug, a controlled sub-
17 stance analogue, or phencyclidine);

18 “(II) an amphetamine in schedule III, its
19 salts, optical isomers, and salts of its optical
20 isomers;

21 “(III) a methamphetamine in schedule III,
22 its salts, isomers, and salts of its isomers;

23 “(IV) a phenmetrazine in schedule III, and
24 its salts;

25 “(V) a methylphenidate in schedule III;

1 “(VI) benzphetamine;

2 “(VII) chlorphentermine;

3 “(VIII) clortermine; or

4 “(IX) phendimetrazine;

5 such person shall be sentenced to a term of imprison-
6 ment of not more than 15 years, a fine of \$500,000, or
7 both if such person is an individual, or to a fine of not
8 more than \$2,000,000 if such person is other than an
9 individual.

10 “(ii) In the case of a controlled substance ana-
11 logue or a controlled substance in schedule I or II that
12 is a narcotic drug or phencyclidine, such person shall
13 be sentenced to a term of imprisonment of not more
14 than 15 years, a fine of \$1,000,000, or both if such
15 person is an individual, or to a fine of not more than
16 \$5,000,000 if such person is other than an individual.

17 “(iii) If the offense under this subparagraph is a
18 second or subsequent controlled substances offense
19 such person shall—

20 “(I) be sentenced to a term of imprisonment
21 of not more than 30 years, a fine of not more
22 than \$1,000,000, or both if such person is an in-
23 dividual, or to a fine of not more than \$4,000,000
24 if such person is other than an individual (if the
25 offense is described in clause (i)); and

1 “(II) be sentenced to a term of imprisonment
2 of not more than 30 years, a fine of \$2,000,000,
3 or both if such person is an individual, or to a fine
4 of not more than \$10,000,000 if such person is
5 other than an individual (if the offense is described
6 in clause (ii)).

7 “(iv) Any sentence imposing a term of imprison-
8 ment under this subparagraph shall, in the absence of
9 such a prior conviction, impose a special parole term of
10 at least 3 years in addition to such term of imprison-
11 ment and shall, if there was such a prior conviction,
12 impose a special parole term of at least 6 years in ad-
13 dition to such term of imprisonment.

14 “(D) In the case of less than 50 kilograms of mar-
15 ihwana, 10 kilograms of hashish, or one kilogram of
16 hashish oil or in the case of any controlled substance in
17 schedule III (other than a substance listed in any of
18 subclauses (II) through (IX) of subparagraph (C)(i)),
19 such person shall, except as provided in paragraph (4),
20 be sentenced to a term of imprisonment of not more
21 than 5 years, a fine of not more than \$250,000, or
22 both if such person is an individual, or to a fine of not
23 more than \$1,000,000 if such person is other than an
24 individual. If the offense under this subparagraph is a
25 second or subsequent controlled substances offense

1 such person shall be sentenced to a term of imprison-
2 ment of not more than 10 years, a fine of not more
3 than \$500,000, or both if such person is an individual,
4 or to a fine of not more than \$2,000,000 if such person
5 is other than an individual. Any sentence imposing a
6 term of imprisonment under this paragraph shall, in the
7 absence of such a prior conviction, impose a special
8 parole term of at least 2 years in addition to such term
9 of imprisonment and shall, if there was such a prior
10 conviction, impose a special parole term of at least 4
11 years in addition to such term of imprisonment.

12 “(E) Imposition or execution of a sentence of im-
13 prisonment under subparagraph (A) or subparagraph
14 (B) shall not be suspended, and probation shall not be
15 granted with respect to such sentence. A person con-
16 victed under subparagraph (A) or subparagraph (B)
17 shall not be eligible for parole until the individual has
18 served the minimum sentence required by such sub-
19 paragraph.

20 “(2) In the case of a controlled substance in
21 schedule IV, such person shall be sentenced to a term
22 of imprisonment of not more than 3 years, a fine of not
23 more than \$250,000, or both if such person is an indi-
24 vidual, or to a fine of not more than \$1,000,000 if
25 such person is other than an individual. If the offense

1 under this paragraph is a second or subsequent con-
2 trolled substances offense such person shall be sen-
3 tenced to a term of imprisonment of not more than 6
4 years, a fine of \$500,000, or both if such person is an
5 individual, or to a fine of not more than \$2,000,000 if
6 such person is other than an individual. Any sentence
7 imposing a term of imprisonment under this paragraph
8 shall, in the absence of such a prior conviction, impose
9 a special parole term of at least one year in addition to
10 such term of imprisonment and shall, if there was such
11 a prior conviction, impose a special parole term of at
12 least 2 years in addition to such term of imprisonment.

13 “(3) In the case of a controlled substance in
14 schedule V, such person shall be sentenced to a term
15 of imprisonment of not more than one year, a fine of
16 not more than \$100,000, or both if such person is an
17 individual, or to a fine of not more than \$250,000 if
18 such person is other than an individual. If the offense
19 under this paragraph is a second or subsequent con-
20 trolled substances offense such person shall be sen-
21 tenced to a term of imprisonment of not more than 2
22 years, a fine of not more than \$250,000, or both if
23 such person is an individual, or to a fine of not more
24 than \$500,000 if such person is other than an individ-
25 ual.

1 “(4) Notwithstanding paragraph (1)(D) of this sub-
2 section, any person who violates subsection (a) of this
3 section by distributing a small amount of marihuana for
4 no remuneration shall be treated as provided in section
5 404.

6 “(c) A special parole term imposed under this section or
7 section 405, 405A, or 405B may be revoked if its terms and
8 conditions are violated. In such circumstances the original
9 term of imprisonment shall be increased by the period of the
10 special parole term and the resulting new term of imprison-
11 ment shall not be diminished by the time which was spent on
12 special parole. A person whose special parole term has been
13 revoked may be required to serve all or part of the remainder
14 of the new term of imprisonment. A special parole term pro-
15 vided for in this section or section 405, 405A, or 405B shall
16 be in addition to, and not in lieu of, any other parole provided
17 for by law.

18 “(d) Any person who knowingly or intentionally—

19 “(1) possesses any piperidine with intent to manu-
20 facture phencyclidine except as authorized by this title,
21 or

22 “(2) possesses any piperidine knowing, or having
23 reasonable cause to believe, that the piperidine will be
24 used to manufacture phencyclidine except as authorized
25 by this title,

1 shall be sentenced to a term of imprisonment of not more
2 than 5 years, a fine of not more than \$15,000, or both.

3 “(e) For purposes of this section, a person shall be con-
4 sidered convicted of a second or subsequent controlled sub-
5 stances offense if, before the commission of such offense, at
6 least one felony conviction of such person under this title,
7 title III, or any other law of the United States, or any law of
8 a State or a foreign country relating to narcotic drugs, mari-
9 juana, or depressant or stimulant substances, has become
10 final.”.

11 (b) CONFORMING PROSPECTIVE AMENDMENTS.—(1)
12 Section 401(b)(1)(A) of the Controlled Substances Act (21
13 U.S.C. 841(b)(1)(A) is amended by striking out the last
14 sentence.

15 (2) Section 401(b)(1)(B) of the Controlled Substances
16 Act (21 U.S.C. 841(b)(1)(B) is amended by striking out the
17 last sentence.

18 (3) Section 401(b)(1)(C) of the Controlled Substances
19 Act (21 U.S.C. 841(b)(1)(C) is amended by striking out
20 clause (iv).

21 (4) Section 401(b)(1)(D) of the Controlled Substances
22 Act (21 U.S.C. 841(b)(1)(D) is amended by striking out the
23 last sentence.

1 (5) Section 401(b)(2) of the Controlled Substances Act
 2 (21 U.S.C. 841(b)(2) is amended by striking out the last sen-
 3 tence.

4 (6) Section 401(b)(4) of the Controlled Substances Act
 5 (21 U.S.C. 841(b)(4) is amended by striking out "404" and
 6 inserting in lieu thereof "404(a), section 404(b), and section
 7 3607 of title 18, United States Code".

8 (7) The amendments made by this subsection shall take
 9 effect on the date of the taking effect of section 224 of the
 10 Comprehensive Crime Control Act of 1984.

11 **SEC. 609. FINE INCREASE AMENDMENT TO SECTION**
 12 **402(c)(2)(A) OF THE CONTROLLED SUBSTANCES**
 13 **ACT.**

14 Section 402(c)(2)(A) of the Controlled Substances Act
 15 (21 U.S.C. 842(c)(2)(A)) is amended by striking out
 16 "\$25,000, or both" and inserting in lieu thereof "\$250,000,
 17 or both if such person is an individual, or to a fine of not
 18 more than \$500,000 if such person is other than an individ-
 19 ual".

20 **SEC. 610. FINE INCREASE AMENDMENT TO SECTION**
 21 **402(c)(2)(B) OF THE CONTROLLED SUBSTANCES**
 22 **ACT.**

23 Section 402(c)(2)(B) of the Controlled Substances Act
 24 (21 U.S.C. 842(c)(2)(B)) is amended by striking out
 25 "\$50,000, or both" and inserting in lieu thereof "\$500,000,

1 or both if such person is an individual, or to a fine of not
2 more than \$1,000,000 if such person is other than an
3 individual”.

4 SEC. 611. FINE INCREASE AMENDMENT TO SECTION 403(c) OF
5 THE CONTROLLED SUBSTANCES ACT.

6 Section 403(c) of the Controlled Substances Act (21
7 U.S.C. 843(c)) is amended—

8 (1) by striking out “\$30,000, or both” and insert-
9 ing in lieu thereof “\$250,000, or both if such person is
10 an individual, or to a fine of not more than \$1,000,000
11 if such person is other than an individual”; and

12 (2) by striking out “\$60,000, or both” and insert-
13 ing in lieu thereof “\$500,000, or both if such person is
14 an individual, or to a fine of not more than \$2,000,000
15 if such person is other than an individual”.

16 SEC. 612. AMENDMENTS TO SECTION 404 OF THE CONTROLLED
17 SUBSTANCES ACT.

18 Section 404 of the Controlled Substances Act (21
19 U.S.C. 844) is amended by adding at the end the following
20 new subsection:

21 “(c)(1) It shall be unlawful for any person, in the special
22 maritime and territorial jurisdiction of the United States, as
23 defined in section 7 of title 18, United States Code, knowing-
24 ly or intentionally to possess a controlled substance unless
25 such substance was obtained directly, or pursuant to a valid

1 prescription or order, from a practitioner, while acting in the
2 course of his professional practice, or except as otherwise
3 authorized by this title or title III.

4 “(2)(A) Except as provided in subparagraph (B) or (C),
5 any person who violates this subsection shall be sentenced to
6 a term of imprisonment of not more than one year, and shall
7 be fined a minimum of \$1,000 but not more than \$5,000, or
8 both.

9 “(B) Any person who violates this subsection after a
10 prior conviction under this subsection, or a prior conviction
11 for any drug or narcotic offense chargeable under the law of
12 any State, has become final, shall be sentenced to a term of
13 imprisonment of a minimum 15 days but not more than 2
14 years, and shall be fined a minimum of \$2,500 but not more
15 than \$10,000, or both.

16 “(C) Any person who violates this subsection after 2 or
17 more prior convictions under this subsection, or 2 or more
18 prior convictions for any drug or narcotic offense chargeable
19 under the law of any State or a combination of 2 or more
20 such offenses have become final, shall be sentenced to a term
21 of imprisonment of a minimum of 90 days but not more than
22 3 years, and shall be fined a minimum of \$5,000 but not
23 more than \$25,000.

24 “(D) The imposition or execution of a minimum sen-
25 tence required to be imposed under this subsection shall not

1 be suspended or deferred. Upon conviction, a person who vio-
2 lates this subsection shall be taxed the reasonable costs of the
3 investigation and prosecution of the offense, including the
4 costs of prosecution of an offense as defined in section 1918
5 and section 1920 of title 28, United States Code.

6 “(E) As used in this subsection, the term ‘drug or nar-
7 cotic offense’ means any offense chargeable under the law of
8 any State which proscribes the possession, distribution, man-
9 ufacture, cultivation, sale, transfer, or the attempt or conspir-
10 acy to possess, distribute, manufacture, cultivate, sell, or
11 transfer any substance the possession of which is prohibited
12 under this Act.”.

13 **SEC. 613. FINE INCREASE AMENDMENT TO SECTION 408(a) OF**
14 **THE CONTROLLED SUBSTANCES ACT.**

15 Section 408(a) of the Controlled Substances Act (21
16 U.S.C. 848(a)) is amended—

17 (1) by striking out “\$100,000” and inserting in
18 lieu thereof “\$2,000,000 if such person is an individ-
19 ual, or a fine of not more than \$5,000,000 if such
20 person is other than an individual”; and

21 (2) by striking out “\$200,000” and inserting in
22 lieu thereof “\$4,000,000 if such person is an individ-
23 ual, or a fine of not more than \$10,000,000 if such
24 person is other than an individual”.

1 SEC. 614. SPECIAL TERM OF IMPRISONMENT FOR CERTAIN
2 OFFENSES UNDER THE CONTROLLED SUB-
3 STANCES ACT RESULTING IN DEATH OR SERI-
4 OUS BODILY INJURY.

5 Part D of the Controlled Substances Act (21 U.S.C.
6 841 et seq.) is amended by adding at the end the following
7 new section:

8 "SPECIAL TERM OF IMPRISONMENT FOR CERTAIN OF-
9 FENSES RESULTING IN DEATH OR SERIOUS BODILY
10 INJURY

11 "SEC. 416. (a) In the case of an offense under subpara-
12 graph (A), (B), or (C) of section 401(b)(1) of this title, from
13 which death or serious bodily injury results, the defendant
14 shall be sentenced (in addition to any fine otherwise applica-
15 ble under such subparagraph) to imprisonment for any term
16 of not less than 20 years, or to imprisonment for life.

17 "(b) As used in this section—

18 "(1) the term 'serious bodily injury' means bodily
19 injury which involves—

20 "(A) a substantial risk of death;

21 "(B) unconsciousness;

22 "(C) extreme physical pain;

23 "(D) protracted and obvious disfigurement;

24 or

1 “(E) protracted loss or impairment of the
2 function of a bodily member, organ, or mental fac-
3 ulty; and

4 “(2) the term ‘results’ includes results from the
5 use of a quantity of controlled substance involved in
6 the offense.

7 “(c) Imposition or execution of a sentence of imprison-
8 ment under this section shall not be suspended, and probation
9 shall not be granted with respect to such sentence. A person
10 convicted under this section shall not be eligible for parole
11 until the individual has served the minimum sentence re-
12 quired by this section.”.

13 **SEC. 615. PENALTIES FOR SERIOUS TRAFFICKERS; AMEND-**
14 **MENT TO SECTION 1010(b) OF THE CONTROLLED**
15 **SUBSTANCES IMPORT AND EXPORT ACT.**

16 (a) **SECTION 1010(b)(1) AMENDMENT.**—Section
17 1010(b)(1) of the Controlled Substances Import and Export
18 Act (21 U.S.C. 960(b)(1)) is amended to read as follows:

19 “(b)(1)(A)(i) In the case of a violation of subsection (a) of
20 this section involving a controlled substance and the mini-
21 mum amount specified for that controlled substance in section
22 401(b)(1)(A), the person committing such violation shall be
23 sentenced to a term of imprisonment of not less than 10 years
24 and not more than 30 years, and a fine of not more than
25 \$2,000,000, or both in the case of an individual, or to a fine

1 of not more than \$5,000,000, in the case of a person other
2 than an individual.

3 “(ii) If the offense under this subparagraph is a second
4 or subsequent offense, such person shall be sentenced to a
5 term of imprisonment of not less than 20 years, or to impris-
6 onment for life, and a fine of not more than \$4,000,000, or
7 both in the case of an individual, or to a fine of not
8 more than \$10,000,000, in the case of a person other than an
9 individual.

10 “(B)(i) In the case of a violation of subsection (a) of this
11 section involving a controlled substance and the minimum
12 amount specified for that controlled substance in section
13 401(b)(1)(B), the person committing such violation shall be
14 sentenced to a term of imprisonment of not less than 5 and
15 not more than 20 years, a fine of not more than \$2,000,000,
16 or both if such person is an individual, or to a fine of not
17 more than \$5,000,000 if such person is other than an
18 individual.

19 “(ii) If the offense under this subparagraph is a second
20 or subsequent offense, such person shall be sentenced to a
21 term of imprisonment of not less than 10 years and not more
22 than 40 years, and a fine of not more than \$4,000,000, or
23 both in the case of an individual, or to a fine of not more
24 than \$10,000,000, in the case of a person other than an
25 individual.

1 “(C) Imposition or execution of a sentence of imprison-
 2 ment under this paragraph shall not be suspended, and proba-
 3 tion shall not be granted with respect to such sentence. A
 4 person convicted under this paragraph shall not be eligible for
 5 parole until the individual has served the minimum sentence
 6 required by this paragraph.

7 “(D) Any sentence imposing a term of imprisonment
 8 under this paragraph shall, in the absence of such a prior
 9 conviction, impose a special parole term of at least 4 years in
 10 addition to such term of imprisonment and shall, if there was
 11 such a prior conviction, impose a special parole term of at
 12 least 8 years in addition to such term of imprisonment.”.

13 (b) CONFORMING AMENDMENTS.—(1) Section
 14 1010(b)(1) of the Controlled Substances Import and Export
 15 Act (21 U.S.C. 960(b)(1)) is amended by striking out sub-
 16 paragraph (D).

17 (2) The amendment made by this subsection shall take
 18 effect on the date of the taking effect of section 225 of the
 19 Comprehensive Crime Control Act of 1984.

20 **SEC. 616. FINE INCREASE AMENDMENT TO SECTION 1010(b)(2)**
 21 **OF THE CONTROLLED SUBSTANCES IMPORT**
 22 **AND EXPORT ACT.**

23 Section 1010(b)(2) of the Controlled Substances Import
 24 and Export Act (21 U.S.C. 960(b)(2)) is amended in the first
 25 sentence by striking out “\$125,000, or both” and inserting in

1 lieu thereof "\$500,000, or both if such person is an individ-
2 ual, or shall be fined not more than \$2,000,000 if such
3 person is other than an individual".

4 **SEC. 617. FINE INCREASE AMENDMENT TO SECTION 1010(b)(3)**
5 **OF THE CONTROLLED SUBSTANCES IMPORT**
6 **AND EXPORT ACT.**

7 Section 1010(b)(3) of the Controlled Substances Import
8 and Export Act (21 U.S.C. 960(b)(3)) is amended in the first
9 sentence by striking out "\$50,000, or both" and inserting in
10 lieu thereof "\$250,000; or both if such person is an individ-
11 ual, or shall be fined not more than \$1,000,000 if such
12 person is other than an individual".

13 **SEC. 618. FINE INCREASE AMENDMENT TO SECTION 1011(2) OF**
14 **THE CONTROLLED SUBSTANCES IMPORT AND**
15 **EXPORT ACT.**

16 Section 1011(2) of the Controlled Substances Import
17 and Export Act (21 U.S.C. 961(2)) is amended by striking
18 out "\$25,000 or both" and inserting in lieu thereof
19 "\$100,000, or both if such person is an individual or a fine of
20 \$500,000 if such person is other than an individual".

1 SEC. 619. SPECIAL TERM OF IMPRISONMENT FOR CERTAIN
 2 OFFENSES UNDER CONTROLLED SUBSTANCES
 3 IMPORT AND EXPORT ACT RESULTING IN
 4 DEATH OR SERIOUS BODILY INJURY.

5 (a) IN GENERAL.—The Controlled Substances Import
 6 and Export Act (21 U.S.C. 951 et seq.) is amended by
 7 adding at the end the following new section:

8 “SPECIAL TERM OF IMPRISONMENT FOR CERTAIN OF-
 9 FENSES RESULTING IN DEATH OR SERIOUS BODILY
 10 INJURY

11 “SEC. 1018. (a) In the case of an offense under para-
 12 graph (1) or (2) of section 1010(b) of this title, from which
 13 death or serious bodily injury results, the defendant shall be
 14 sentenced (in addition to any fine otherwise applicable under
 15 such subsection) to imprisonment for any term of not less
 16 than 20 years, or to imprisonment for life.

17 “(b) As used in this section—

18 “(1) the term ‘serious bodily injury’ means bodily
 19 injury which involves—

20 “(A) a substantial risk of death;

21 “(B) unconsciousness;

22 “(C) extreme physical pain;

23 “(D) protracted and obvious disfigurement;

24 or

1 “(E) protracted loss or impairment of the
2 function of a bodily member, organ, or mental fac-
3 ulty; and

4 “(2) the term ‘results’ includes results from the
5 use of a quantity of controlled substance involved in
6 the offense.

7 “(c) Imposition or execution of a sentence of imprison-
8 ment under this section shall not be suspended, and probation
9 shall not be granted with respect to such sentence. A person
10 convicted under this section shall not be eligible for parole
11 until the individual has served the minimum sentence re-
12 quired by this section.”.

13 (b) **TECHNICAL AMENDMENT.**—The table of contents
14 for the Comprehensive Drug Abuse Prevention and Control
15 Act of 1970 is amended by inserting after the item relating to
16 section 1017 the following new item:

“Sec. 1018. Special term of imprisonment for certain offenses resulting in death or
serious bodily injury.”.

17 **PART II—CONTROLLED SUBSTANCE OFFENSES RE-**
18 **LATING TO CHILDREN AND SCHOOLS; PRECUR-**
19 **SOR AND ESSENTIAL CHEMICAL REVIEW**

20 **SEC. 621. CRIMINAL PENALTY FOR MANUFACTURE OF CON-**
21 **TROLLED SUBSTANCE IN OR NEAR SCHOOLS**
22 **(INCLUDING COLLEGES).**

23 (a) **IN GENERAL.**—Section 405A of the Controlled Sub-
24 stances Act (21 U.S.C. 845a) is amended—

1 (1) in subsection (a), by striking out “distributing
2 a controlled substance in or on, or within one thousand
3 feet of, the real property comprising a public or private
4 elementary or secondary school” and inserting in lieu
5 thereof “manufacturing or distributing a controlled sub-
6 stance in or on, or within 1,000 feet of, the real prop-
7 erty comprising a school”;

8 (2) in subsection (b), by striking out “distributing
9 a controlled substance in or on, or within one thousand
10 feet of, the real property comprising a public or private
11 elementary or secondary school” and inserting in lieu
12 thereof “manufacturing or distributing a controlled sub-
13 stance in or on, or within 1,000 feet of, the real prop-
14 erty comprising a school ”; and

15 (3) by adding at the end the following new sub-
16 section:

17 “(d) As used in this section, the term ‘school’ means a
18 public or private elementary, vocational, or secondary school,
19 or a public or private college, junior college, community col-
20 lege, or university.”.

21 (b) **TECHNICAL AMENDMENT.**—The section heading for
22 section 405A of the Controlled Substances Act (21 U.S.C.
23 845a) is amended to read as follows:

1 "MANUFACTURE OR DISTRIBUTION IN OR NEAR
2 SCHOOLS".

3 SEC. 622. USING CHILDREN TO MANUFACTURE OR DISTRIBUTE
4 A CONTROLLED SUBSTANCE.

5 The Controlled Substances Act (21 U.S.C. 801 et seq.)
6 is amended by inserting after section 405A the following new
7 section:

8 "USING CHILDREN TO MANUFACTURE OR DISTRIBUTE

9 "SEC. 405B. (a) Any person at least 18 years of age
10 who violates section 401(a)(1) by employing, using, persuad-
11 ing, inducing, enticing, or coercing another person less than
12 18 years of age to manufacture or distribute a controlled sub-
13 stance is punishable by a term of imprisonment, or a fine, or
14 both, up to twice that otherwise authorized for that offense,
15 and at least twice any special parole term otherwise author-
16 ized for that offense.

17 “(b) If the offense under this subparagraph is a second
18 or subsequent offense, such offense is punishable by a term of
19 imprisonment, or a fine, or both, up to three times that other-
20 wise authorized for that offense, and at least three times any
21 special parole term otherwise authorized for that offense.

22 “(c) In the case of any sentence imposed under this sec-
23 tion, imposition or execution of such sentence shall not be
24 suspended and probation shall not be granted with respect to
25 such sentence. An individual convicted under this section

1 shall not be eligible for parole until the individual has served
2 the minimum sentence required by such section.”.

3 **SEC. 623. PRECURSOR AND ESSENTIAL CHEMICAL REVIEW.**

4 (a) **STUDY AND REPORT.**—The Attorney General
5 shall—

6 (1) conduct a study of the need for legislation,
7 regulation, or alternative methods to control the diver-
8 sion of legitimate precursor and essential chemicals to
9 the illegal production of drugs of abuse; and

10 (2) report all findings of such study to Congress
11 not later than the end of the 90th day after the date of
12 enactment of this part.

13 (b) In conducting such study the Attorney General shall
14 take into consideration that—

15 (1) clandestine manufacture continues to be a
16 major source of narcotic and dangerous drugs on the
17 illegal drug market;

18 (2) these drugs are produced using a variety of
19 chemicals which are found in commercial channels and
20 which are diverted to illegal uses;

21 (3) steps have been taken to deny drug traffickers
22 access to key precursor chemicals, including that—

23 (A) P2P, a precursor chemical used in the
24 production of amphetamines and methampheta-
25 mines was administratively controlled in schedule

1 II of the Controlled Substances Act by the Drug
2 Enforcement Administration:

3 (B) a variety of controls were placed on pi-
4 peridine, the precursor for phencyclidine, by the
5 Psychotropic Substance Act of 1978; and

6 (C) the Drug Enforcement Administration
7 has maintained a voluntary system in cooperation
8 with chemical industry to report suspicious pur-
9 chases of precursors and essential chemicals; and

10 (4) despite the formal and voluntary systems that
11 currently exist, clandestine production of synthetic nar-
12 cotics and dangerous drugs continue to contribute to
13 drug trafficking and abuse problems in the United
14 States.

15 **PART III—CONTROLLED SUBSTANCES TECHNICAL**
16 **AMENDMENTS**

17 **SEC. 625. CLARIFICATION OF ISOMER INCLUSION.**

18 The second and third sentences of section 102(14) of the
19 Controlled Substances Act (21 U.S.C. 802(14)) are each
20 amended by striking out “the” after “the term ‘isomer’
21 means” and inserting in lieu thereof “any”.

1 **SEC. 626. MODIFICATION OF COCAINE DEFINITION FOR PUR-**
2 **POSES OF SCHEDULE II.**

3 Subsection (a)(4) of schedule II of section 202(c) the
4 Controlled Substances Act (21 U.S.C. 812) is amended to
5 read as follows:

6 “(4) Coca leaves (except coca leaves and extracts
7 of coca leaves from which cocaine, ecgonine, and de-
8 rivatives of ecgonine or their salts have been removed);
9 cocaine, its salts, optical and geometric isomers, and
10 salts of isomers; and ecgonine, its derivatives, their
11 salts, isomers, and salts of isomers.”.

12 **SEC. 627. CORRECTION OF PUNCTUATION ERROR.**

13 Section 403(a)(2) of the Controlled Substances Act (21
14 U.S.C. 843(a)(2)) is amended by striking out the period at the
15 end and inserting a semicolon in lieu thereof.

16 **SEC. 628. CORRECTION OF CLERICAL ERROR.**

17 Section 405A(b) of the Controlled Substances Act (21
18 U.S.C. 845a(b)) is amended by inserting “parole” after “(2)
19 at least three times any special”.

20 **SEC. 629. CORRECTION OF ERRONEOUS SECTION CROSS**
21 **REFERENCE.**

22 Section 405A(c) of the Controlled Substances Act (21
23 U.S.C. 845a(c)) is amended by striking out “section 4202”
24 and inserting “chapter 311” in lieu thereof.

1 **SEC. 630. CORRECTION OF ERRONEOUS SUBSECTION CROSS**
2 **REFERENCES.**

3 Section 413 of the Controlled Substances Act (21
4 U.S.C. 853) is amended—

5 (1) in subsection (c) and in the second subsection
6 (h), by striking out “subsection (o)” and inserting “sub-
7 section (n)” in lieu thereof;

8 (2) in subsection (f) by striking out “subsection
9 (f)” and inserting “subsection (e)” in lieu thereof;

10 (3) in subsection (i)(1), by striking out “this chap-
11 ter” and inserting “this title” in lieu thereof; and

12 (4) by redesignating the second subsection (h) as
13 subsection (k).

14 **SEC. 631. AUTHORITY OF ATTORNEY GENERAL TO ENTER**
15 **INTO CONTRACTS WITH STATE AND LOCAL LAW**
16 **ENFORCEMENT AGENCIES AND TO DEPUTIZE**
17 **STATE AND LOCAL LAW ENFORCEMENT OF-**
18 **FICERS FOR CONTROLLED SUBSTANCES EN-**
19 **FORCEMENT.**

20 (a) **CONTRACT AUTHORITY.**—Section 503(a) of the
21 Controlled Substances Act (21 U.S.C. 873(a)) is amended—

22 (1) by striking out “and” at the end of paragraph
23 (5);

24 (2) by striking out the period at the end of para-
25 graph (6) and inserting in lieu thereof “; and”; and

26 (3) by adding at the end thereof the following:

1 “(7) notwithstanding any other provision of law,
2 enter into contractual agreements with State and local
3 law enforcement agencies to provide for cooperative
4 enforcement and regulatory activities under this title.”.

5 (b) **AUTHORITY TO DEPUTIZE.**—Section 508 of the
6 Controlled Substances Act (21 U.S.C. 878) is amended—

7 (1) by inserting “(a)” before “Any officer or
8 employee”;

9 (2) by inserting after “Drug Enforcement Admin-
10 istration” the following: “or (with respect to offenses
11 under this title or title III) any State or local law en-
12 forcement officer”; and

13 (3) by adding at the end thereof the following new
14 subsection:

15 “(b) State and local law enforcement officers performing
16 functions under this section shall not be deemed Federal em-
17 ployees and shall not be subject to provisions of law relating
18 to Federal employees, except that such officers shall be sub-
19 ject to section 3374(c) of title 5, United States Code.”.

20 **SEC. 632. CORRECTION OF CLERICAL ERROR.**

21 Section 1008(e) of the Controlled Substances Import
22 and Export Act (21 U.S.C. 958(e)) is amended by striking
23 out “section” the first place it appears and inserting “sec-
24 tions” in lieu thereof.

1 **SEC. 633. ELIMINATION OF ERRONEOUS CROSS REFERENCE.**

2 Section 1010(b)(3) of the Controlled Substances Import
3 and Export Act (21 U.S.C. 960(b)(3)) is amended by striking
4 out “, except as provided in paragraph (4)”.

5 **SEC. 634. TECHNICAL AMENDMENTS TO TABLE OF CONTENTS**
6 **OF THE COMPREHENSIVE DRUG ABUSE PRE-**
7 **VENTION AND CONTROL ACT OF 1970.**

8 The table of contents for the Comprehensive Drug
9 Abuse Prevention and Control Act of 1970 is amended—

10 (1) by inserting after the item relating to section
11 405 the following new items:

“Sec. 405A. Manufacture or distribution in or near schools.
“Sec. 405B. Using children to manufacture or distribute.”;

12 and

13 (2) by adding at the end the following new items:

“Sec. 415. Alternative fine.
“Sec. 416. Special term of imprisonment for certain offenses resulting in death or
serious bodily injury.”.

14 **SEC. 635. AMENDMENT TO SECTION 511 OF THE CONTROLLED**
15 **SUBSTANCES ACT.**

16 Section 511(e) of the Controlled Substances Act (21
17 U.S.C. 881(e)) is amended—

18 (1) so that paragraph (1) reads as follows:

19 “(1) retain the property for official use or transfer
20 the custody or ownership of any forfeited property to
21 any Federal agency pursuant to section 616 of the
22 Tariff Act of 1930;”;

1 (2) by inserting 'after paragraph (1) the following
2 new paragraph;

3 “(2) transfer the custody or ownership of any for-
4 feited property or proceeds to any State or local
5 agency pursuant to section 616 of the Tariff Act of
6 1930;”; and

7 (3) by renumbering the following paragraphs
8 accordingly.

9 **SEC. 636. AMENDMENT TO SECTION 524 OF TITLE 28, UNITED**
10 **STATES CODE.**

11 Section 524(c)(4) of title 28, United States Code, is
12 amended by striking out “remaining after the payment of ex-
13 penses for forfeiture and sale authorized by law” and insert-
14 ing in lieu thereof “, except all proceeds of forfeitures avail-
15 able for use by the Secretary of the Treasury or the Secre-
16 tary of the Interior pursuant to section 11(d) of the Endan-
17 gered Species Act (16 U.S.C. 1540(d)) or section 6(d) of the
18 Lacey Act Amendments of 1981 (16 U.S.C. 3375(d))”.

19 **SEC. 637. AMENDMENT TO SECTION 5316 OF TITLE 31, UNITED**
20 **STATES CODE.**

21 Section 5316(a)(2) of title 31, United States Code, is
22 amended by striking out “\$5,000” and inserting in lieu
23 thereof “\$10,000”.

1 SEC. 638. CLARIFICATION OF INTENT OF CERTAIN AMEND-
2 MENTS.

3 The amendments made by sections 224(a) and 235(a)(1)
4 of the Comprehensive Crime Control Act of 1984 are refer-
5 enced to the law as it existed immediately before the enact-
6 ment of the Comprehensive Crime Control Act of 1984 and
7 are intended to be executed without regard to redesignations
8 made by and after that enactment. To the extent that a pro-
9 vision to which such an amendment is so referenced has been
10 stricken out or repealed before the date such amendments
11 would take effect, however, such amendments shall not take
12 effect.

13 **Subtitle D—White House Conference**

14 SEC. 641. SHORT TITLE.

15 This subtitle may be cited as the “White House Confer-
16 ence on Drug Abuse and Control Act of 1986”.

17 SEC. 642. FINDINGS.

18 The Congress finds that—

19 (1) the illicit production and trafficking of con-
20 trolled substances abroad and the illicit importation of
21 controlled substances into the United States is increas-
22 ing each year;

23 (2) the social and economic cost in the United
24 States of drug abuse, including increased health care
25 costs, lost productivity, and related crime and violence,
26 is estimated to be more than \$100,000,000,000 annu-

1 ally, and there is a direct relationship between drug
2 abuse and criminal activity and street violence;

3 (3) the National Drug Enforcement Policy Board
4 recently stated that drug abuse is a major health prob-
5 lem that damages our social institutions and threatens
6 our most valuable human resource—our young people;

7 (4) controlled substances of all kinds are readily
8 available on the streets of major cities in the United
9 States, it is estimated that there are 500,000 heroin
10 addicts, 4,000,000 regular cocaine users, and
11 20,000,000 regular marijuana users in the United
12 States, and the amount of cocaine available for export
13 to the United States increased by over 50 percent in
14 1984 and the number of cocaine-related deaths in the
15 United States in 1984 increased by 77 percent;

16 (5) the President's Commission on Organized
17 Crime, in its final report, stated that drug trafficking is
18 the most serious organized crime problem in the world
19 today and is the most widespread and lucrative orga-
20 nized crime activity in the United States, producing
21 revenues exceeding \$110,000,000,000 annually, and
22 that insofar as the violence and corruption associated
23 with drug trafficking threatens the stability of friendly
24 nations, our own national security is jeopardized;

1 (6) President Reagan has repeatedly emphasized
2 the importance of the fight against drug abuse and has
3 called drug abuse one of the gravest problems facing
4 the nation;

5 (7) the International Narcotics Control Board and
6 the United States Department of State have found that
7 the illicit production, trafficking, and abuse of drugs is
8 international in scope and affects almost every country,
9 and that these activities undermine the economic and
10 social order, spread violence and corruption, and jeop-
11 ardize the very political stability of some countries;

12 (8) despite major strides toward achieving coordi-
13 nation of drug law enforcement among Federal agen-
14 cies or between Federal efforts and State and local ef-
15 forts total national control is still needed;

16 (9) the flow of drugs into the United States and
17 increased domestic production and diversion place over-
18 whelming burdens on Federal, State, and local police,
19 prosecutors, courts, and correctional authorities, and
20 represents a threat to the national security;

21 (10) elected officials and leaders in the fields of
22 law enforcement, health, and education are nearly
23 unanimous in agreement that drug abuse can only be
24 defeated by education, prevention, and other demand
25 reduction efforts;

1 (11) demand reduction efforts need more re-
2 sources, direction, and coordination, having received
3 comparatively less support than have law enforcement
4 and other supply reduction efforts; and

5 (12) in order to address these drug control and
6 abuse issues in a coordinated manner and in a manner
7 that responds to the crisis situation at hand, it is nec-
8 essary to bring together, under sponsorship and with
9 support at the highest level of government, experts in
10 drug abuse issues, ordinary citizens, including those
11 who have suffered the effects of drug abuse and who
12 want to help end it, and officials from all levels of gov-
13 ernment and all three branches of Government, to
14 make recommendations for development and implemen-
15 tation of a comprehensive national strategy for public
16 and private action to eliminate drug abuse in America.

17 **SEC. 643. AUTHORIZATION OF CONFERENCE.**

18 The President shall call a White House Conference on
19 Drug Abuse and Control (in this subtitle referred to as the
20 "Conference"), in accordance with this subtitle, not later
21 than 9 months after the date of the enactment of this subtitle
22 in order to develop recommendations for further action to
23 control the illicit production, trafficking, and distribution of
24 controlled substances internationally and in the United States
25 and to prevent and treat drug abuse.

1 SEC. 644. PURPOSES OF CONFERENCE.

2 (a) [N GENERAL.—The purposes of the Conference
3 are—

4 (1) to increase public awareness of, and to focus
5 attention on, various aspects of the problems of drug
6 abuse and control (including issues of enforcement of
7 controlled substances laws and of prevention, treat-
8 ment, and rehabilitation of drug abusers);

9 (2) to pool information and experiences in order
10 vigorously and directly to attack drug abuse at all
11 levels—local, State, Federal, and international; and

12 (3) to assist in formulating a national strategy (en-
13 compassing international, Federal, State, and local ac-
14 tivities) to control trafficking in controlled substances
15 and to prevent and treat drug abuse.

16 (b) SPECIFIC CONSIDERATIONS.—The Conference shall
17 specifically review—

18 (1) the impact of recently enacted laws (including
19 the Comprehensive Crime Control Act of 1984 and the
20 Balanced Budget and Emergency Deficit Reduction
21 Act of 1985) on efforts to control trafficking in con-
22 trolled substances and to prevent and treat drug abuse,

23 (2) the recommendations of the President's Com-
24 mission on Organized Crime as they relate to drug
25 abuse and control;

1 (3) the extent to which the sanctions in section
2 481 of the Foreign Assistance Act of 1961 (22 U.S.C.
3 2291) have been, or should be, used in encouraging
4 foreign states to comply with their international re-
5 sponsibilities respecting controlled substances; and

6 (4) the circumstances contributing to the initiation
7 of illicit drug usage, with particular emphasis on the
8 onset of drug use by youth.

9 **SEC. 645. CONFERENCE REPORT AND FOLLOW-UP ACTIONS.**

10 (a) **FINAL REPORT.**—Not more than 6 months after the
11 date on which the Conference is convened, a final report of
12 the Conference shall be submitted to the President and the
13 Congress. The report shall include the findings and recom-
14 mendations of the Conference as well as proposals for any
15 legislative action necessary to implement the recommenda-
16 tions of the Conference. The final report of the Conference
17 shall be available to the public.

18 (b) **FOLLOW-UP ACTIONS.**—The President shall report
19 to the Congress annually, during the 3-year period following
20 the submission of the final report of the Conference, on the
21 status and implementation of the findings and recommenda-
22 tions of the Conference.

23 **SEC. 646. ORGANIZATION OF CONFERENCE.**

24 (a) **PARTICIPATION OF APPROPRIATE CABINET OFFI-**
25 **CERS AND OTHER OFFICIALS.**—The President shall—

1 (1) ensure the active participation in the Confer-
2 ence of appropriate cabinet officers, and

3 (2) shall provide for the involvement in the Con-
4 ference of—

5 (A) elected officials at the Federal, State,
6 and local levels;

7 (B) persons from business and industry;

8 (C) individuals distinguished in medicine,
9 law, sociology, education, and law enforcement;
10 and

11 (D) private citizens who have first-hand ex-
12 perience with drug abuse.

13 (b) ASSISTANCE OF FEDERAL AGENCIES.—All Federal
14 departments, agencies, and instrumentalities shall provide
15 such support and assistance as may be necessary to facilitate
16 the planning and administration of the Conference.

17 (c) NO PAYMENT OF INDIVIDUAL EXPENSES.—Each
18 participant in the Conference shall be responsible for his or
19 her expenses related to attending the Conference and shall
20 not be reimbursed from funds appropriated to carry out this
21 subtitle.

22 (d) DETAIL OF STAFF.—Appropriate cabinet officers
23 may detail employees to work on the planning and adminis-
24 tering of the Conference without regard to section 3341(b) of
25 title 5, United States Code.

1 (e) AUTHORIZATION OF APPROPRIATIONS.—There are
2 authorized to be appropriated for fiscal year 1987 to carry
3 out this subtitle such sums as may be necessary.

4 (f) RESTRICTION ON EXPENDITURES AND CONTRACT-
5 ING.—New spending authority or authority to enter contracts
6 as provided in this subtitle shall be effective only to such
7 extent and in such amounts as are provided in advance in
8 appropriation Acts.

9 SEC. 647. DEFINITIONS.

10 In this subtitle:

11 (1) CONTROLLED SUBSTANCES.—The term “con-
12 trolled substances” has the meaning given such term in
13 section 102(6) of the Controlled Substances Act (21
14 U.S.C. 802(6)).

15 (2) APPROPRIATE CABINET OFFICER.—The term
16 “appropriate cabinet officers” means the Attorney
17 General, the Secretary of State, the Secretary of
18 Health and Human Services, the Secretary of Defense,
19 the Secretary of the Treasury, the Secretary of Trans-
20 portation, the Secretary of Education, and such other
21 cabinet officers as have responsibilities respecting con-
22 trolled substances abuse and control (including combat-
23 ing illicit production, trafficking, or distribution of con-
24 trolled substances).

1 (3) STATE.—The term “State” includes the Dis-
 2 trict of Columbia, the Commonwealth of Puerto Rico,
 3 the Northern Mariana Islands, the Virgin Islands,
 4 Guam, and American Samoa.

5 SEC. 648. EFFECTIVE DATE.

6 This subtitle shall become effective on October 1, 1986.

7 **Subtitle E—Career Criminals**

8 SEC. 651. SHORT TITLE.

9 This subtitle may be cited as the “Career Criminal
 10 Amendments Act of 1986”.

11 SEC. 652. EXPANSION OF PREDICATE OFFENSES.

12 (a) IN GENERAL.—Section 924(e)(1) of title 18, United
 13 States Code, is amended by striking out “for robbery or bur-
 14 glary, or both,” and inserting in lieu thereof “for a violent
 15 felony or a serious drug offense, or both,”.

16 (b) DEFINITIONS.—Section 924(e)(2) of title 18, United
 17 States Code, is amended by striking out subparagraph (A)
 18 and all that follows through subparagraph (B) and inserting
 19 in lieu thereof the following:

20 “(A) the term ‘serious drug offense’ means—

21 “(i) an offense under the Controlled
 22 Substances Act (21 U.S.C. 801 et seq.), the
 23 Controlled Substances Import and Export
 24 Act (21 U.S.C. 951 et seq.), or the first sec-
 25 tion or section 3 of Public Law 96–350 (21

1 U.S.C. 955a et seq.), for which a maximum
2 term of imprisonment of ten years or more is
3 prescribed by law; or

4 “(ii) an offense under State law, involv-
5 ing manufacturing, distributing, or possessing
6 with intent to manufacture or distribute, a
7 controlled substance (as defined in section
8 102 of the Controlled Substances Act (21
9 U.S.C. 802)), for which a maximum term of
10 imprisonment of ten years or more is pre-
11 scribed by law; and

12 “(B) the term ‘violent felony’ means any
13 crime punishable by imprisonment for a term ex-
14 ceeding one year that—

15 “(i) has as an element the use, attempt-
16 ed use, or threatened use of physical force
17 against the person of another; or

18 “(ii) involves conduct that presents a se-
19 rious potential risk of physical injury to
20 another.”.

21 **SEC. 653. EFFECTIVE DATE.**

22 The amendments made by this subtitle shall take effect
23 November 15, 1986.

**Subtitle F—Drug and Alcohol
Dependent Offenders Treatment**

SEC. 655. SHORT TITLE.

This subtitle may be cited as the “Drug and Alcohol
Dependent Offenders Treatment Act of 1986”.

**SEC. 656. PERMANENT AMENDMENT RELATING TO DUTIES OF
DIRECTOR OF ADMINISTRATIVE OFFICE.**

(a) **IN GENERAL.**—The section of title 18, United
States Code, that is redesignated section 3672 by section
212(a) of the Comprehensive Crime Control Act of 1984 is
amended by adding at the end thereof:

“He shall have the authority to contract with any
appropriate public or private agency or person for the
detection of and care in the community of an offender
who is an alcohol-dependent person, or an addict or a
drug-dependent person within the meaning of section 2
of the Public Health Service Act (42 U.S.C. 201).
This authority shall include the authority to provide
equipment and supplies; testing; medical, educational,
social, psychological, and vocational services; correc-
tive and preventive guidance and training; and other
rehabilitative services designed to protect the public
and benefit the alcohol dependent person, addict, or
drug dependent person by eliminating his dependence
on alcohol or addicting drugs, or by controlling his de-

1 pendence and his susceptibility to addiction. He may
2 negotiate and award such contracts without regard to
3 section 3709 of the Revised Statutes (41 U.S.C. 5).

4 “He shall pay for presentence studies and reports
5 by qualified consultants and presentence examinations
6 and reports by psychiatric or psychological examiners
7 ordered by the court under subsection (b) or (c) of sec-
8 tion 3552, except for studies conducted by the Bureau
9 of Prisons.”.

10 (b) **EFFECTIVE DATE:**—The amendment made by this
11 section shall take effect on the date of the taking effect of
12 such redesignation.

13 **SEC. 657. INTERIM AMENDMENT RELATING TO DUTIES OF DI-**
14 **RECTOR OF ADMINISTRATIVE OFFICE.**

15 The second paragraph of section 4255 of title 18,
16 United States Code, is amended to read as follows:

17 “The Director of the Administrative Office of the
18 United States Courts shall have the authority to contract
19 with any appropriate public or private agency or person for
20 the detection of and care in the community of an offender
21 who is an alcohol-dependent person, or an addict or a drug-
22 dependent person within the meaning of section 2 of the
23 Public Health Service Act (42 U.S.C. 201). Such authority
24 includes the authority to provide equipment and supplies;
25 testing; medical, educational, social, psychological, and voca-

1 tional services; corrective and preventive guidance and train-
 2 ing; and other rehabilitative services designed to protect the
 3 public and benefit the alcohol dependent person, addict, or
 4 drug dependent person by eliminating that person's or ad-
 5 dict's dependence on alcohol or addicting drugs, or by con-
 6 trolling that person's or addict's dependence and susceptibili-
 7 ty to addiction. Such Director may negotiate and award such
 8 contracts without regard to section 3709 of the Revised Stat-
 9 utes (41 U.S.C. 5).".

10 SEC. 658. REAUTHORIZATION OF CONTRACT SERVICES.

11 Section 4(a) of the Contract Services for Drug Depend-
 12 ent Federal Offenders Act of 1978 is amended—

13 (1) by striking out "and \$6,000,000" and insert-
 14 ing "\$6,500,000" in lieu thereof; and

15 (2) by striking out the two periods at the end and
 16 inserting in lieu thereof "; \$12,000,000 for the fiscal
 17 year ending September 30, 1987; \$14,000,000 for the
 18 fiscal year ending September 30, 1988; and
 19 \$16,000,000 for the fiscal year ending September 30,
 20 1989.".

21 **Subtitle G—Drug Enforcement** 22 **Enhancement**

23 SEC. 661. SHORT TITLE.

24 This subtitle may be cited as the "Drug Enforcement
 25 Enhancement Act of 1986".

1 SEC. 662. AUTHORIZATION OF APPROPRIATIONS.

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

8 (b) ASSISTANT UNITED STATES ATTORNEYS.—There
9 is authorized to be appropriated for fiscal year 1987 for the
10 Department of Justice, in addition to any amounts appropri-
11 ated before the date of the enactment of this subtitle for fiscal
12 year 1987, \$31,000,000 for United States attorneys for as-
13 sistant United States attorneys.

14 (c) DRUG LAW ENFORCEMENT BY DEPARTMENT OF
15 JUSTICE.—There is authorized to be appropriated for fiscal
16 year 1987 for the Department of Justice, in addition to any
17 amounts appropriated before the date of the enactment of this
18 subtitle for fiscal year 1987, \$167,000,000 of which—

19 (1) \$140,000,000 shall be made available for
20 the construction of Federal penal and correctional
21 institutions,

22 (2) \$20,000,000 shall be made available for
23 United States marshals, and

24 (3) \$7,000,000 shall be made available for the
25 Federal Prison System.

1 (d) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL
 2 YEARS 1988 AND 1989.—(1) In addition to any other
 3 amounts that may be authorized to be appropriated for fiscal
 4 year 1988 for the Department of Justice, there is authorized
 5 to be appropriated \$450,000,000 for fiscal year 1988 for the
 6 Department of Justice for the construction of Federal penal
 7 and correctional institutions.

8 (2) In addition to any other amounts that may be au-
 9 thorized to be appropriated for 1989 for the Department of
 10 Justice, there is authorized to be appropriated \$527,000,000
 11 for fiscal year 1989 for the Department of Justice, of
 12 which—

13 (A) \$500,000,000 shall be made available for the
 14 construction of Federal penal and correctional institu-
 15 tions, and

16 (B) \$27,000,000 shall be made available for the
 17 Federal Prison System for salaries.

18 SEC. 663. OFFICE OF JUSTICE ASSISTANCE DRUG GRANT
 19 PROGRAM.

20 (a) ESTABLISHMENT OF PROGRAM.—Title I of the
 21 Omnibus Crime Control and Safe Streets Act of 1968 (42
 22 U.S.C. 3712 et seq.) is amended—

23 (1) by redesignating part M as part N,

24 (2) by redesignating section 1301 as section 1401,

25 and

1 (3) by inserting after part L the following new
2 part:

3 "PART M—GRANTS FOR DRUG LAW ENFORCEMENT
4 PROGRAMS

5 "FUNCTION OF DIRECTOR

6 “SEC. 1301. The Director shall provide funds to eligible
7 States and units of local government pursuant to this part.

8 "DESCRIPTION OF DRUG LAW ENFORCEMENT FORMULA
9 GRANT PROGRAM

10 “SEC. 1302. The Bureau is authorized to make grants
11 under this part to States for the purpose of enforcing State
12 and local laws that establish offenses similar to offenses es-
13 tablished in the Controlled Substances Act (21 U.S.C. 801 et
14 seq.).

15 "FEDERAL PORTION OF PROGRAM

16 “SEC. 1303. (a) The amount of any grant made under
17 section 1302 of this title shall be equal to 50 per centum of
18 the cost of programs and projects specified in the application
19 of such grant, except that in the case of funds distributed to
20 an Indian tribe which performs law enforcement functions (as
21 determined by the Secretary of the Interior) for any such
22 program or project, the amount of such grant shall be equal
23 to 100 per centum of such cost.

24 “(b) The non-Federal portion of the cost of any program
25 or project for which a grant is made under section 1302 of
26 this title shall be in cash.

1 "ELIGIBILITY

2 "SEC. 1304. The Bureau is authorized to make grants
3 under section 1302 of this title available to a State for the
4 use of the State, and units of local government in the State,
5 for enforcing State and local laws that establish offenses simi-
6 lar to offenses established in the Controlled Substances Act
7 (21 U.S.C. 801 et seq.).

8 "APPLICATIONS

9 "SEC. 1305. No grant may be made by the Bureau to a
10 State, or by a State to an eligible recipient, pursuant to this
11 part unless the application for such grant sets forth programs
12 and projects which meet the purpose specified in section
13 1302 of this title and identifies the State agency or unit of
14 local government which will implement each such program or
15 project. The application shall be amended if new programs
16 are to be added to the application or if the programs con-
17 tained in the original application are not implemented. The
18 application shall include—

19 "(1) an assurance that following the first fiscal
20 year covered by an application and each fiscal year
21 thereafter, the applicant shall submit to the Bureau or
22 to the State, as the case may be—

23 "(A) a performance report concerning the ac-
24 tivities carried out pursuant to section 1302 of
25 this title; and

1 “(B) an assessment by the applicant of the
2 impact of those activities on the purposes of such
3 section and the needs and objectives identified in
4 the applicant’s statement;

5 “(2) a certification that Federal funds made avail-
6 able under section 1302 of this title will not be used to
7 supplant State or local funds, but will be used to in-
8 crease the amounts of such funds that would, in the
9 absence of Federal funds, be made available for drug
10 law enforcement activities;

11 “(3) a certification that funds required to pay the
12 non-Federal portion of the cost of each program and
13 project for which such grant is made shall be in addi-
14 tion to funds that would otherwise be made available
15 for drug law enforcement by the recipients of grant
16 funds;

17 “(4) an assurance that fund accounting, auditing,
18 monitoring, and such evaluation procedures as may be
19 necessary to keep such records as the Bureau shall
20 prescribe shall be provided to assure fiscal control,
21 proper management, and efficient disbursement of
22 funds received under section 1302 of this title;

23 “(5) an assurance that the applicant shall main-
24 tain such data and information and submit such reports
25 in such form, at such times, and containing such data

1 and information as the Bureau may reasonably require
2 to administer other provisions of this title;

3 “(6) a certification that its programs meet all the
4 requirements of this section, that all the information
5 contained in the application is correct, that there has
6 been appropriate coordination with affected agencies,
7 and that the applicant will comply with all provisions
8 of this title and all other applicable Federal laws (such
9 certification shall be made in a form acceptable to the
10 Bureau and shall be executed by the chief executive or
11 such other officer of the applicant qualified under regu-
12 lations promulgated by the Bureau);

13 “(7) an assurance that the State will take into ac-
14 count the needs and requests of units of local govern-
15 ment in the State and encourage local initiative in the
16 development of programs which meet the purpose of
17 section 1302;

18 “(8) an assurance that the State application de-
19 scribed in this section, and any amendment to such ap-
20 plication, has been submitted for review to the State
21 legislature or its designated body (for purposes of this
22 section, such application or amendment shall be
23 deemed to be reviewed if the State legislature or such
24 body does not review such application or amendment

1 within the 60-day period beginning on the date such
2 application or amendment is so submitted); and

3 “(9) an assurance that the State application and
4 any amendment thereto was made public before sub-
5 mission to the Bureau and, to the extent provided
6 under State law or established procedure, an opportu-
7 nity to comment thereon was provided to citizens and
8 to neighborhood and community groups.

9 “REVIEW OF APPLICATIONS

10 “SEC. 1306. (a) The Bureau shall provide financial as-
11 sistance to each State applicant under section 1302 of this
12 title to carry out the programs or projects submitted by such
13 applicant upon determining that—

14 “(1) the application or amendment thereto is con-
15 sistent with the requirements of this title; and

16 “(2) before the approval of the application and
17 any amendment thereto the Bureau has made an af-
18 firmative finding in writing that the program or project
19 has been reviewed in accordance with section 1305.

20 Each application or amendment made and submitted for
21 approval to the Bureau pursuant to section 1305 of this title
22 shall be deemed approved, in whole or in part, by the Bureau
23 not later than sixty days after first received unless the
24 Bureau informs the applicant of specific reasons for
25 disapproval.

1 “(b) Grant funds awarded under section 1302 of this
2 title shall not be used for land acquisition or construction
3 projects.

4 “(c) The Bureau shall not finally disapprove any appli-
5 cation, or any amendment thereto, submitted to the Director
6 under this section without first affording the applicant rea-
7 sonable notice and opportunity for reconsideration.

8 “ALLOCATION AND DISTRIBUTION OF FUNDS

9 “SEC. 1307. (a) Of the total amount appropriated for
10 this part in any fiscal year, 65 per centum shall be set aside
11 for grants under section 1302 of this title and allocated to
12 States as follows:

13 “(1) \$250,000 shall be allocated to each of the
14 participating States.

15 “(2) Of the total funds remaining after the alloca-
16 tion under paragraph (1), there shall be allocated to
17 each State an amount which bears the same ratio to
18 the amount of remaining funds described in this para-
19 graph as the population of such State bears to the pop-
20 ulation of all the participating States.

21 “(b)(1) Each State which receives funds under subsec-
22 tion (a) in a fiscal year shall distribute among units of local
23 government, or combinations of units of local government, in
24 such State for the purpose specified in section 1302 of this
25 title that portion of such funds which bears the same ratio to
26 the aggregate amount of such funds as the amount of funds

1 expended by all units of local government for criminal justice
2 in the preceding fiscal year bears to the aggregate amount of
3 funds expended by the State and all units of local government
4 in such State for criminal justice in such preceding fiscal
5 year.

6 “(2) Any funds not distributed to units of local govern-
7 ment under paragraph (1) shall be available for expenditure
8 by the State involved.

9 “(3) For purposes of determining the distribution of
10 funds under paragraph (1), the most accurate and complete
11 data available for the fiscal year involved shall be used. If
12 data for such fiscal year are not available, then the most
13 accurate and complete data available for the most recent
14 fiscal year preceding such fiscal year shall be used.

15 “(c) No funds allocated to a State under subsection (a)
16 or received by a State for distribution under subsection (b)
17 may be distributed by the Director or by the State involved
18 for any program other than a program contained in an ap-
19 proved application.

20 “(d) If the Director determines, on the basis of informa-
21 tion available to the Director during any fiscal year, that a
22 portion of the funds allocated to a State for that fiscal year
23 will not be required or that a State will be unable to qualify
24 or receive funds under section 1302 of this title, or that a
25 State chooses not to participate in the program established by

1 this part, then such portion shall be awarded by the Director
 2 to urban, rural, and suburban units of local government or
 3 combinations thereof within such State, giving priority to
 4 those jurisdictions with greatest need.

5 “(e) Any funds not distributed under subsections (b) and
 6 (d) with respect to a State shall be reallocated under subsec-
 7 tion (a), excluding such State and the population of such
 8 State.

9 “STATE OFFICE

10 “SEC. 1308. (a) The chief executive of each participat-
 11 ing State shall designate a State office for purposes of—

12 “(1) preparing an application to obtain funds
 13 under section 1302 of this title; and

14 “(2) administering funds received under such sec-
 15 tion from the Bureau, including receipt, review, proc-
 16 essing, monitoring, progress and financial report
 17 review, technical assistance, grant adjustments, ac-
 18 counting, auditing, and fund disbursements.

19 “(b) An office or agency performing other functions
 20 within the executive branch of a State may be designated to
 21 carry out the functions specified in subsection (a).

22 “DESCRIPTION OF DRUG LAW ENFORCEMENT

23 DISCRETIONARY GRANT PROGRAM

24 “SEC. 1309. The Administrator of the Drug Enforce-
 25 ment Administration (hereinafter in this part referred to as
 26 the ‘Administrator’) is authorized to make grants under this

1 part to States and to units of local government for the pur-
2 pose of enforcing State and local laws that establish offenses
3 similar to offenses established in the Controlled Substances
4 Act (21 U.S.C. 801 et seq.). The Administrator shall have
5 final authority over all grants awarded by the Administrator
6 under this part.

7 "PERCENTAGE OF APPROPRIATION FOR DISCRETIONARY
8 PROGRAM

9 "SEC. 1310. (a) Of the total amount appropriated for
10 this part in any fiscal year, 20 per centum shall be reserved
11 and set aside for grants under section 1309 of this title in a
12 special discretionary fund for use by the Administrator in car-
13 rying out such section. Grants made with funds reserved
14 under this subsection may be made for amounts up to 100 per
15 centum of the cost of the programs and projects contained in
16 the approved application.

17 "(b)(1) Of the total amount appropriated to carry out
18 this part, 15 per centum shall be reserved and set aside for
19 grants under section 1309 in a special discretionary fund for
20 use by the Administrator in carrying out such section. The
21 amount of any grant made with funds reserved under this
22 subsection shall be equal to 50 per centum of the cost of the
23 programs and projects specified in the approved application.

24 "(2) In making grants under this subsection, the Admin-
25 istrator shall give consideration to the severity of the the

1 following drug law enforcement problems in the jurisdictions
2 applying for such grants:

3 “(A) the unlawful importation of controlled sub-
4 stances (as defined in section 102(6) of the Controlled
5 Substances Act (21 U.S.C. 802(6));

6 “(B) the unlawful production and processing of
7 such substances; and

8 “(C) the unlawful diversion, distribution, and sale
9 of such substances.

10 “(3) In awarding grants under this subsection, the Ad-
11 ministrator shall give priority to jurisdictions in which such
12 grants will have the greatest national and regional impact on
13 combatting illegal trafficking in such substances.

14 “(4) An applicant may not receive a grant made with
15 funds reserved under this subsection unless such applicant
16 certifies that funds required to pay the non-Federal portion of
17 the cost of each program and project for which such grant is
18 made shall be in addition to funds that would otherwise be
19 made available by such applicant for drug law enforcement.

20 “APPLICATION REQUIREMENTS

21 “SEC. 1311. (a) No grant may be made pursuant to
22 section 1310 of this title unless an application has been sub-
23 mitted to the Administrator in which the applicant—

24 “(1) sets forth a program or project which is eligi-
25 ble for funding pursuant to section 1309 of this title;
26 and

1 “(2) describes the services to be provided, per-
2 formance goals, and the manner in which the program
3 is to be carried out.

4 “(b) Each applicant for funds under section 1309 of this
5 title shall certify that its program or project meets all the
6 requirements of this section, that all the information con-
7 tained in the application is correct, and that the applicant will
8 comply with all the provisions of this title and all other appli-
9 cable Federal laws. Such certification shall be made in a form
10 acceptable to the Administrator.

11 “LIMITATION ON USE OF DISCRETIONARY GRANT FUNDS

12 “SEC. 1312. Grant funds awarded under section 1309
13 of this title shall not be used for land acquisition or construc-
14 tion projects.

15 “ADMINISTRATIVE ASSISTANCE BY BUREAU

16 “SEC. 1313. The Bureau shall provide assistance to the
17 Administrator in processing applications and administering
18 grants authorized under section 1309 of this title.”.

19 (b) TECHNICAL AMENDMENTS.—(1) Subsections (a)
20 and (b) of section 401 of title I of the Omnibus Crime Control
21 and Safe Streets Act of 1968 (42 U.S.C. 3741) are each
22 amended by striking out “part E” and inserting in lieu there-
23 of “parts E and M”.

24 (2) Section 801(b) of title I of the Omnibus Crime Con-
25 trol and Safe Streets Act of 1968 (42 U.S.C. 3782(b)) is
26 amended—

1 (A) by striking out "parts D and E" and inserting
2 in lieu thereof "parts D, E, and M", and

3 (B) by striking out "part D" each place it appears
4 and inserting in lieu thereof "parts D and M".

5 (3) Section 802(b) of title I of the Omnibus Crime Con-
6 trol and Safe Streets Act of 1968 (42 U.S.C. 3783(b)) is
7 amended by inserting "or M" after "part D".

8 (4) Section 808 of title I of the Omnibus Crime Control
9 and Safe Streets Act of 1968 (42 U.S.C. 3789) is amended
10 by inserting "or 1308, as the case may be," after "section
11 408".

12 (5) The table of contents of title I of the Omnibus Crime
13 Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et
14 seq.) is amended by striking out the items relating to part M
15 and section 1301, and inserting in lieu thereof the following
16 new items:

"Part M—Grants for Drug Programs

- "Sec. 1301. Function of Director.
- "Sec. 1302. Description of drug law enforcement formula grant program.
- "Sec. 1303. Federal portion of program.
- "Sec. 1304. Eligibility.
- "Sec. 1305. Applications.
- "Sec. 1306. Review of applications.
- "Sec. 1307. Allocation and distribution of funds.
- "Sec. 1308. State office.
- "Sec. 1309. Description of drug law enforcement discretionary grant program.
- "Sec. 1310. Percentage of appropriation for discretionary program.
- "Sec. 1311. Application requirements.
- "Sec. 1312. Limitation on use of discretionary grant funds.
- "Sec. 1313. Administrative assistance by Bureau.

"Part N—Transition—Effective Date—Repealer

- "Sec. 1401. Continuation of rules, authorities, and proceedings."

1 (c) AUTHORIZATION OF APPROPRIATIONS.—Section
 2 1001 of title I of the Omnibus Crime Control and Safe
 3 Streets Act of 1968 (42 U.S.C. 3793) is amended—

4 (1) in subsection (a)—

5 (A) in paragraph (3) by striking out “and L”
 6 and inserting in lieu thereof “L, and M”,

7 (B) by redesignating paragraph (6) as para-
 8 graph (7), and

9 (C) by inserting after paragraph (5) the fol-
 10 lowing new paragraph:

11 “(6) There are authorized to be appropriated
 12 \$100,000,000 for fiscal year 1987 and \$200,000,000 for
 13 fiscal year 1988, to carry out the programs under part M of
 14 this title.”, and

15 (2) in subsection (b) by striking out “and E” and
 16 inserting in lieu thereof “, E, and M”.

17 **SEC. 664. DEPARTMENT OF JUSTICE DRUG ASSET FORFEITURE**
 18 **FUND.**

19 Section 524 of title 28, United States Code, is amended
 20 in subsection (c)—

21 (1) in paragraph (1)—

22 (A) in subparagraph (A) by inserting “(i)”
 23 after “(A)”,

24 (B) by adding at the end of subparagraph (A)
 25 the following new clause:

1 “(ii) the payment pursuant to regulations promul-
2 gated by the Attorney General of necessary program-
3 related expenses which may include payment necessary
4 for expenses involving in the purchase or lease of auto-
5 matic data processing equipment, training, printing,
6 contracting for services related to the processing of and
7 accounting for forfeitures, and the storage, protection,
8 and destruction of controlled substances;”, and

9 (C) by amending subparagraph (E) to read as
10 follows:

11 “(E) for equipping for law enforcement functions
12 any vessels, vehicles, and aircraft available for official
13 use by the Drug Enforcement Administration, the Fed-
14 eral Bureau of Investigation, or the Immigration and
15 Naturalization Service; and”; and

16 (2) in paragraph (8)—

17 (A) by striking out “1984, 1985, 1986, and
18 1987” and inserting in lieu thereof “1986, 1987,
19 and 1988”, and

20 (B) by striking out “\$5,000,000” and insert-
21 ing in lieu thereof “\$10,000,000”.

1 **TITLE VII—COMMITTEE ON**
2 **PUBLIC WORKS AND TRANS-**
3 **PORTATION**

4 **SEC. 701. STATE ENFORCEMENT OF LAWS RELATING TO AIR-**
5 **CRAFT REGISTRATION.**

6 (a) IN GENERAL.—Section 902(b) of the Federal Avia-
7 tion Act of 1958 (49 U.S.C. App 1472(b)) is amended by
8 adding at the end the following new paragraph:

9 “(3) Nothing in this subsection or in any other provision
10 of this Act shall preclude a State from establishing criminal
11 penalties, including providing for forfeiture or seizure of air-
12 craft, for a person who—

13 “(A) knowingly and willfully forges, counterfeits,
14 alters, or falsely makes an aircraft registration certifi-
15 cate,

16 “(B) knowingly sells, uses, attempts to use, or
17 possesses with intent to use a fraudulent aircraft regis-
18 tration certificate,

19 “(C) knowingly and willfully displays or causes to
20 be displayed on any aircraft any marks that are false
21 or misleading as to the nationality or registration of
22 the aircraft, or

23 “(D) obtains an aircraft registration certificate
24 from the Administrator by knowingly and willfully fal-
25 sifying, concealing, or covering up a material fact, or

1 making a false, fictitious, or fraudulent statement or
 2 representation, or making or using any false writing or
 3 document knowing the writing or document to contain
 4 any false, fictitious, or fraudulent statement or entry.”.

5 (b) INSPECTION.—Section 501 of the Federal Aviation
 6 Act of 1958 (49 U.S.C. App. 1401) is amended by adding at
 7 the end the following new subsection:

8 “INSPECTION BY LAW ENFORCEMENT OFFICERS

9 “(g) The operator of an aircraft shall make available for
 10 inspection an aircraft’s certificate or registration upon request
 11 by a Federal, State, or local law enforcement officer.”.

12 (c) CONFORMING AMENDMENT.—That portion of the
 13 table of contents contained in the first section of the Federal
 14 Aviation Act of 1958 which appears under the side heading
 “Sec. 501. Registration of aircraft nationality.”

15 is amended by adding at the end the following:

“(g) Inspection by law enforcement officers.”.

16 SEC. 702. CRIMINAL PENALTIES.

17 (a) IN GENERAL.—Subsection (q) of section 902 of the
 18 Federal Aviation Act of 1958 (49 U.S.C. App. 1472(q)) is
 19 amended to read as follows:

20 “VIOLATIONS IN CONNECTION WITH TRANSPORTATION OF
 21 CONTROLLED SUBSTANCES

22 “(q)(1) It shall be unlawful, in connection with transpor-
 23 tation described in paragraph (2) and with knowledge of such
 24 transportation, for any person—

1 “(A) who is the owner of an aircraft eligible for
2 registration under section 501, to knowingly and will-
3 fully operate, attempt to operate, or permit any other
4 person to operate such aircraft if the aircraft is not
5 registered under section 501 or the certificate of regis-
6 tration of the aircraft is suspended or revoked;

7 “(B) to operate or attempt to operate an aircraft
8 eligible for registration under section 501 knowing
9 either that such aircraft is not registered under section
10 501 or that the certificate of registration is suspended
11 or revoked;

12 “(C) to knowingly and willfully serve, or attempt
13 to serve, in any capacity as an airman without a valid
14 airman certificate authorizing him to serve in such a
15 capacity;

16 “(D) to knowingly and willfully employ for service
17 or utilize any airman who does not possess a valid
18 airman certificate authorizing him to serve in such
19 capacity;

20 “(E) to knowingly and willfully operate an aircraft
21 in violation of any rule, regulation, or requirement
22 issued by the Administrator with respect to the display
23 of navigation or anticollision lights; or

24 “(F) to knowingly operate an aircraft with a fuel
25 tank or fuel system that has been installed or modified

1 on the aircraft, unless such tank or system and the in-
2 stallation or modification of such tank or system is in
3 accordance with all applicable rules, regulations, and
4 requirements of the Administrator.

5 “(2) The transportation referred to in paragraph (1) is
6 the transportation by aircraft of any controlled substance
7 where such transportation is punishable by death or imprison-
8 ment for a term exceeding one year under a State or Federal
9 law or is provided in connection with any act that is punish-
10 able by death or imprisonment for a term exceeding one year
11 under a State or Federal law relating to a controlled sub-
12 stance (other than a law relating to simple possession of a
13 controlled substance).

14 “(3) A person violating this subsection shall be subject
15 to a fine not exceeding \$25,000, or imprisonment not exceed-
16 ing 5 years, or both.

17 “(4) A person who, in connection with transportation
18 described in paragraph (2), operates an aircraft on which a
19 fuel tank or fuel system has been installed or modified and
20 does not carry aboard the aircraft any certificate required to
21 be issued by the Administrator for such installation or modifi-
22 cation shall be presumed to have violated subparagraph (F) of
23 paragraph (1).

24 “(5) In the case of a violation of subparagraph (F) of
25 paragraph (1), the fuel tank or fuel system and the aircraft

1 involved shall be subject to seizure and forfeiture. The provi-
 2 sions of law relating to—

3 “(A) the seizure, summary and judicial forfeiture,
 4 and condemnation of property for violation of the cus-
 5 toms laws;

6 “(B) the disposition of such property or the pro-
 7 ceeds from the sale thereof;

8 “(C) the remission or mitigation of such forfeit-
 9 ures; and

10 “(D) the compromise of claims and the award
 11 of compensation to informers in respect of such
 12 forfeitures;

13 shall apply to seizures and forfeitures under this paragraph.
 14 The Secretary may authorize such officers and agents as are
 15 necessary to carry out seizures and forfeitures under this
 16 paragraph, and such officers and agents shall have the
 17 powers and duties given to customs officers with respect to
 18 the seizure and forfeiture of property under the customs laws.

19 “(6) For purposes of this subsection, the term ‘con-
 20 trolled substance’ has the meaning given such term by sec-
 21 tion 102(6) of the Controlled Substances Act (21 U.S.C.
 22 802(6)).”.

23 (b) CONFORMING AMENDMENT.—That portion of the
 24 table of contents of the Federal Aviation Act of 1958 which
 25 appears under the side heading

“Sec. 902. Criminal penalties.”

1 is amended by striking the item relating to subsection (q) and
 2 inserting

“(q) Violations in connection with transportation of controlled substances.”.

3 **SEC. 703. DRUGS AND HIGHWAY SAFETY.**

4 (a) **STUDY.**—The Secretary of Transportation shall con-
 5 duct a study to determine the relationship between the usage
 6 of controlled substances and highway safety. Such study shall
 7 include a simulation of driving conditions, emergency situa-
 8 tions, and driver performance under various drug and dosage
 9 conditions. Such study shall determine the incidence of con-
 10 trolled substance usage in highway accidents resulting in fa-
 11 talities and the dosage levels for controlled substances which
 12 are most likely to result in impairment of driver performance.

13 (b) **REPORT.**—Not later than one year after the date of
 14 the enactment of this title, the Secretary of Transportation
 15 shall submit to Congress a report on the results of the study
 16 conducted under subsection (a).

17 **TITLE VIII—COMMITTEE ON**
 18 **EDUCATION AND LABOR**

19 **SECTION 801. SHORT TITLE.**

20 This title may be cited as the “Drug Abuse Education
 21 and Prevention Act of 1986”.

22 **SEC. 802. FINDINGS AND PURPOSE.**

23 (a) **FINDINGS.**—The Congress finds that drug abuse
 24 education and prevention programs are an essential compo-

1 nent of a comprehensive Federal initiative to reduce the
2 demand for and use of drugs throughout the Nation.

3 (b) PURPOSE.—It is the purpose of this title to establish
4 programs of drug abuse education and prevention (coordinat-
5 ed with related community efforts and resources) through the
6 provision of Federal financial assistance—

7 (1) to States for grants to local and intermediate
8 educational agencies and consortia to establish, oper-
9 ate, and improve local programs of drug abuse preven-
10 tion, early intervention, rehabilitation referral, and edu-
11 cation in elementary and secondary schools (including
12 intermediate and junior high schools);

13 (2) to States for grants to and contracts with com-
14 munity-based organizations for programs of drug abuse
15 prevention, early intervention, rehabilitation referral,
16 and education for school dropouts and for school-age
17 children after school hours and during summer vaca-
18 tions and other periods of non-attendance;

19 (3) to States for model, demonstration, training,
20 and technical assistance activities;

21 (4) to institutions of higher education to establish,
22 implement, and expand programs of drug abuse educa-
23 tion and prevention (including rehabilitation referral)
24 for students enrolled in colleges and universities; and

1 (5) to institutions of higher education in coopera-
2 tion with State and local educational agencies for
3 teacher training programs in drug abuse education and
4 prevention.

5 **Subtitle A—State and Local Programs**
6 **to Improve Drug Abuse Education**
7 **and Prevention**

8 **PART I—GENERAL**

9 **SEC. 803. NATIONAL ADVISORY COUNCIL ON DRUG ABUSE**
10 **EDUCATION AND PREVENTION.**

11 (a) **ESTABLISHMENT OF NATIONAL ADVISORY COUN-**
12 **CIL.**—There is established a National Advisory Council on
13 Drug Abuse Education and Prevention. The Advisory Coun-
14 cil shall attract and focus national attention on drug-related
15 problems, support and publicize programs of drug abuse edu-
16 cation and prevention and advise the Secretary on programs
17 and activities under this title.

18 (b) **MEMBERSHIP.**—The Advisory Council shall be com-
19 posed of not less than 15 and not more than 25 individuals
20 who are nationally prominent and recognized as broadly rep-
21 resentative of education groups, parent groups, student
22 groups, community and philanthropic organizations, State
23 and local elected officials, law enforcement officials, the en-
24 tertainment industry, professional and amateur athletics, and
25 business. Members of the Advisory Council shall be appointed

1 by the President to 4 year terms. A vacancy in the Advisory
2 Council shall be filled in the manner in which the original
3 appointment was made.

4 (c) ADMINISTRATION.—The Advisory Council shall
5 meet at the call of the President or the Secretary of Educa-
6 tion. Members of the Council shall serve without pay, but
7 may be reimbursed for actual and necessary travel and ex-
8 penses incurred in the performance of their duties on the
9 Council. Upon request of the Council, the head of any Feder-
10 al agency is authorized to detail any of the personnel of such
11 agency to the Council to assist the Council in carrying out its
12 duties under this title.

13 **SEC. 804. ESTABLISHMENT.**

14 The Secretary of Education shall establish Federal fi-
15 nancial assistance programs for drug abuse education and
16 prevention in elementary and secondary schools and institu-
17 tions of higher education in accordance with this title.

18 **SEC. 805. ALLOTMENT OF FUNDS.**

19 (a) RESERVED AMOUNTS FOR FEDERAL PROGRAMS.—
20 From the sums appropriated or otherwise made available to
21 carry out this title for any fiscal year, the Secretary shall
22 reserve—

23 (1) 1 percent for payments to Guam, American
24 Samoa, the Virgin Islands, the Trust Territory of the

1 Pacific Islands, and the Northern Mariana Islands, to
2 be allotted in accordance with their respective needs;

3 (2) 1 percent for programs for Indian children
4 under section 833;

5 (3) 5 percent for national programs under section
6 831; and

7 (4) 10 percent for programs with institutions of
8 higher education under section 832.

9 (b) ALLOTMENTS TO STATES.—

10 (1) From the remainder of the sums not reserved
11 under subsection (a), the Secretary shall allot to each
12 State an amount which bears the same ratio to the
13 amount of such remainder as the school-age population
14 of the State bears to the school-age population of all
15 States, except that no State shall receive less than an
16 amount equal to 0.5 percent of such remainder.

17 (2) The Secretary may reallocate any amount of any
18 allotment to a State to the extent that the Secretary
19 determines that the State will not be able to obligate
20 such amount within two years of allotment. Any such
21 reallocation shall be made on the same basis as an al-
22 lotment under paragraph (1).

23 (3) For purposes of this subsection, the term
24 "State" means any of the fifty States, the District of
25 Columbia, and Puerto Rico.

1 SEC. 806. ALLOCATION OF STATE FUNDS.

2 (a) AMOUNTS RESERVED FOR STATE ACTIVITIES.—

3 From the payment made to a State for each fiscal year under
4 section 805, the Governor shall reserve—

5 (1) 10 percent for State activities under section
6 815; and

7 (2) an additional amount, consistent with the
8 number of school dropouts in the State, for the pur-
9 poses of section 817.

10 (b) GRANTS TO LOCAL AND INTERMEDIATE EDUCA-
11 TIONAL AGENCIES AND CONSORTIA.—From the remainder
12 of the payment under section 805 not reserved under subsec-
13 tion (a), the State educational agency, in consultation with
14 the State advisory council (described in section 816(a)(4)),
15 shall make grants to local educational agencies, intermedi-
16 ate educational agencies, and consortia for activities
17 under part III.

18 PART II—STATE PROGRAMS OF DRUG ABUSE

19 EDUCATION AND PREVENTION

20 SEC. 811. STATE ACTIVITIES.

21 (a) USE OF FUNDS.—Funds made available to a State
22 under section 806(a)(1) may be used in accordance with an
23 approved application for—

24 (1) the development, acquisition, dissemination,
25 and implementation of drug abuse education and pre-

1 vention model curricula materials for elementary and
2 secondary schools throughout the State;

3 (2) demonstration projects of drug abuse education
4 and prevention (including programs and activities
5 during after school hours, summer vacations, and other
6 periods of non-attendance);

7 (3) programs of inservice and preservice training
8 in drug abuse education and prevention for teachers,
9 counselors, other educational personnel, public service
10 personnel (including law enforcement officials), and
11 community leaders;

12 (4) technical assistance to help local and interme-
13 diate educational agencies and consortia of such agen-
14 cies and community-based organizations—

15 (A) in the planning and implementation of
16 drug abuse prevention, early intervention, reha-
17 bilitation referral, and education programs, and

18 (B) in undertaking the coordination of such
19 programs with related community efforts and re-
20 sources;

21 (5) other drug abuse education and prevention ac-
22 tivities, consistent with the purposes of this title; and

23 (6) State administrative costs.

24 (b) LIMITATION.—Not more than 5 percent of the funds
25 available to a State under section 806(a)(1) may be used for

1 administrative costs in carrying out the State's responsibil-
2 ities under this part.

3 SEC. 812. STATE APPLICATIONS.

4 (a) REQUIREMENTS.—In order to receive a payment
5 under section 805 for any fiscal year a State shall submit to
6 the Secretary for approval an application which—

7 (1) sets forth a comprehensive Statewide plan for
8 programs under this subtitle which includes the criteria
9 and priorities for award of grants and contracts by the
10 State under this subtitle;

11 (2) contains an estimate of the cost for the estab-
12 lishment and operation of such programs;

13 (3) designates the State agency or agencies re-
14 sponsible for the administration and supervision of pro-
15 grams assisted under this subtitle;

16 (4) provides for a State advisory council on drug
17 abuse education and prevention, appointed by the Gov-
18 ernor and determined to be broadly representative of
19 the general public, which shall include the chief State
20 school officer and persons representative of—

21 (A) parents of elementary and secondary
22 schoolchildren,

23 (B) teachers and counselors,

24 (C) officers of State and local government,

25 (D) medical and mental health professionals,

1 (E) social service workers,

2 (F) the law enforcement community, and

3 (E) community-based organizations,

4 to advise the Governor and other appropriate State
5 agencies on State programs, the allocation of funds to
6 local and intermediate educational agencies and consor-
7 tia, and the planning, development, support, implemen-
8 tation, and evaluation of State-assisted programs under
9 this title;

10 (5) provides assurances that the State will provide
11 financial assistance under this subtitle only to local
12 educational agencies, intermediate educational agen-
13 cies, and consortia which establish and implement man-
14 datory drug abuse education and prevention programs
15 in elementary and secondary schools;

16 (6) provides assurances that the State will ensure
17 an equitable distribution throughout the State of funds
18 available under this subtitle;

19 (7) describes the manner in which the State will
20 coordinate its efforts under this subtitle with appropri-
21 ate Federal, State, and local law enforcement officials
22 and with other programs in the community related to
23 drug abuse education, prevention, treatment, and
24 rehabilitation;

1 (8) provides that the Federal funds made available
2 under this title shall be used to supplement and, to the
3 extent practical, to increase the level of funds that
4 would, in the absence of such Federal funds, be made
5 available by the recipient for the purposes described in
6 this title, and in no case supplant such funds;

7 (9) provides for an annual evaluation of the effec-
8 tiveness of programs in the State assisted under this
9 title;

10 (10) provides that the State will keep such
11 records and provide such information to the Secre-
12 tary as may be required for fiscal audit and program
13 evaluation;

14 (11) contains assurances that there is compliance
15 with the specific requirements of this title, including
16 the Federal share limitations of section 842(c); and

17 (12) includes such other information and assur-
18 ances as the Secretary reasonably determines to be
19 necessary.

20 (c) PERIOD OF APPLICATION.—An application under
21 this section shall be for a period not to exceed 3 fiscal years
22 and may be amended annually as may be necessary to reflect
23 changes without filing a new application.

1 SEC. 813. PROGRAMS FOR SCHOOL DROPOUTS AND SCHOOL-
 2 AGE CHILDREN DURING AFTER SCHOOL HOURS
 3 AND SUMMER VACATIONS.

4 From the amounts reserved under section 806(a)(2), the
 5 Governor of each State shall make grants to and enter into
 6 contracts with community-based organizations of demonstrat-
 7 ed performance for drug abuse education and prevention pro-
 8 grams for school dropouts and programs for school-age chil-
 9 dren after school hours and during the summer vacation and
 10 other periods of non-attendance. Any such grant or contract
 11 shall be subject to the applicable provisions of section 822.

12 **PART III—LOCAL PROGRAMS OF DRUG ABUSE**
 13 **EDUCATION AND PREVENTION**

14 SEC. 821. LOCAL DESIGN OF PROGRAMS.

15 (a) USE OF FUNDS.—Funds made available to a local or
 16 intermediate educational agency or consortia under section
 17 806(b) may be used in accordance with an approved applica-
 18 tion for—

19 (1) the development, acquisition, and implementa-
 20 tion of drug abuse education and prevention curricula
 21 for elementary and secondary schools;

22 (2) school-based programs of drug abuse preven-
 23 tion and early intervention (other than treatment);

24 (3) drug abuse education programs, including pro-
 25 grams for parents and other family members;

1 (4) drug abuse prevention counseling programs for
2 students and parents and professional and peer counsel-
3 ors and counseling programs involving the participation
4 (where appropriate) of parent or other adult counselors
5 and reformed abusers;

6 (5) programs of drug abuse treatment and reha-
7 bilitation referral;

8 (6) programs of inservice and preservice training
9 in drug abuse education and prevention for teachers,
10 counselors, other educational personnel, public service
11 personnel (including law enforcement officials), and
12 community leaders;

13 (7) other drug abuse education and prevention ac-
14 tivities, consistent with the purposes of this subtitle;
15 and

16 (8) administrative costs.

17 (b) **LIMITATION.**—Not more than 5 percent of any
18 grant from funds available under section 806(b) may be used
19 for administrative costs in carrying out programs under this
20 part.

21 **SEC. 822. LOCAL APPLICATIONS.**

22 (a) **REQUIREMENTS.**—In order to be eligible to receive
23 a grant under section 806(b) for any fiscal year, a local edu-
24 cational agency, intermediate educational agency, or consor-

1 tia shall submit an application to the State educational
2 agency for approval. Such application shall—

3 (1) set forth a comprehensive plan for programs of
4 the applicant under this part;

5 (2) contain an estimate of the cost for the estab-
6 lishment and operation of such programs;

7 (3) as appropriate, establish or designate a local
8 or regional advisory council on drug abuse education
9 and prevention composed of individuals who are par-
10 ents, teachers, officers of State and local government,
11 medical professionals, representatives of the law en-
12 forcement community, community-based organizations,
13 and other groups with interest and expertise in the
14 field of drug abuse;

15 (4) describe the manner in which the applicant
16 will establish, implement, or augment mandatory age-
17 appropriate, developmentally-based, drug abuse educa-
18 tion and prevention programs in elementary and sec-
19 ondary schools from the early elementary level through
20 grade 12, and provide assurances that the applicant
21 enforces related rules and regulations of student
22 conduct;

23 (5) describe the manner in which the applicant
24 will coordinate its efforts under this part with other

1 programs in the community related to drug abuse edu-
2 cation, prevention, treatment, and rehabilitation:

3 (6) provide assurances that the applicant will co-
4 ordinate its efforts with Federal, State, and local law
5 enforcement officials;

6 (7) provide assurances that the Federal funds
7 made available under this title shall be used to supple-
8 ment and, to the extent practical, to increase the level
9 of funds that would, in the absence of such Federal
10 funds, be made available by the applicant for the pur-
11 poses described in this title, and in no case supplant
12 such funds;

13 (8) provide assurances of compliance with the pro-
14 visions of this title, including the Federal share limita-
15 tions of section 842(c);

16 (9) agree to keep such records and provide such
17 information to the State educational agency as reason-
18 ably may be required for fiscal audit and program eval-
19 uation, consistent with the responsibilities of the State
20 agency under this title; and

21 (10) include such other information and assurances
22 as the State educational agency reasonably determines
23 to be necessary.

24 (b) **THREE-YEAR APPLICATION.**—An application under
25 this section shall be for a period not to exceed 3 fiscal years