

HR 3004

Financial Anti-Terrorism Act of 2001

Congress: 107 (2001–2003, Ended)

Chamber: House

Policy Area: Crime and Law Enforcement

Introduced: Oct 3, 2001

Current Status: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban A

Latest Action: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Oct 17, 2001)

Official Text: <https://www.congress.gov/bill/107th-congress/house-bill/3004>

Sponsor

Name: Rep. Oxley, Michael G. [R-OH-4]

Party: Republican • **State:** OH • **Chamber:** House

Cosponsors (24 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Bachus, Spencer [R-AL-6]	R · AL		Oct 3, 2001
Rep. Baker, Richard H. [R-LA-6]	R · LA		Oct 3, 2001
Rep. Bentsen, Ken [D-TX-25]	D · TX		Oct 3, 2001
Rep. Bereuter, Doug [R-NE-1]	R · NE		Oct 3, 2001
Rep. Cantor, Eric [R-VA-7]	R · VA		Oct 3, 2001
Rep. Gillmor, Paul E. [R-OH-5]	R · OH		Oct 3, 2001
Rep. Green, Mark [R-WI-8]	R · WI		Oct 3, 2001
Rep. Grucci, Felix J., Jr. [R-NY-1]	R · NY		Oct 3, 2001
Rep. Hooley, Darlene [D-OR-5]	D · OR		Oct 3, 2001
Rep. Kelly, Sue W. [R-NY-19]	R · NY		Oct 3, 2001
Rep. King, Peter T. [R-NY-3]	R · NY		Oct 3, 2001
Rep. LaFalce, John J. [D-NY-29]	D · NY		Oct 3, 2001
Rep. LaTourette, Steven C. [R-OH-19]	R · OH		Oct 3, 2001
Rep. Leach, James A. [R-IA-1]	R · IA		Oct 3, 2001
Rep. Maloney, Carolyn B. [D-NY-14]	D · NY		Oct 3, 2001
Rep. Riley, Bob [R-AL-3]	R · AL		Oct 3, 2001
Rep. Roukema, Marge [R-NJ-5]	R · NJ		Oct 3, 2001
Rep. Israel, Steve [D-NY-2]	D · NY		Oct 4, 2001
Rep. Maloney, James H. [D-CT-5]	D · CT		Oct 4, 2001
Rep. Moran, James P. [D-VA-8]	D · VA		Oct 4, 2001
Rep. Shows, Ronnie [D-MS-4]	D · MS		Oct 4, 2001
Rep. Ross, Mike [D-AR-4]	D · AR		Oct 9, 2001
Rep. Shays, Christopher [R-CT-4]	R · CT		Oct 9, 2001
Rep. Sherman, Brad [D-CA-24]	D · CA		Oct 9, 2001

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Oct 17, 2001
Financial Services Committee	House	Reported By	Oct 17, 2001
Judiciary Committee	House	Discharged From	Oct 17, 2001
Ways and Means Committee	House	Discharged From	Oct 17, 2001

Subjects & Policy Tags

Policy Area:

Crime and Law Enforcement

Related Bills

Bill	Relationship	Last Action
107 HR 3162	Procedurally related	Oct 26, 2001: Became Public Law No: 107-56.

Financial Anti-Terrorism Act of 2001 - **Title I: Strengthening Law Enforcement** - Amends Federal law governing monetary transactions and Federal criminal law to establish as a bulk cash smuggling offense the knowing concealment and attempted transport (or transfer) across U.S. borders of currency and monetary instruments in excess of \$10,000, with intent to evade specified currency reporting requirements.

(Sec. 103) Subjects to Federal criminal penalties: (1) currency couriers who conceal more than \$10,000 in currency and transport, or conspire to transport, such currency in interstate commerce knowing that it was either derived from, or intended to promote, unlawful activity; and (2) persons engaged in unlicensed money transmitting business transactions.

(Sec. 105) Establishes Federal jurisdiction over foreign money launderers and over money laundered through a foreign bank.

(Sec. 111) Instructs the Secretary of the Treasury (Secretary) to make available to government agencies via the Financial Crimes Enforcement Network information contained on certain IRS returns regarding coin and currency receipts of more than \$10,000 received by either a nonfinancial trade or business, or by criminal court clerks as payment for bail.

(Sec. 112) Increases civil penalties for structuring transactions to evade targeting orders and for violations of certain recordkeeping requirements.

(Sec. 113) Amends the Immigration and Nationality Act to declare inadmissible into the United States: (1) aliens who have engaged in proscribed money laundering activities; and (2) their immediate family members who have benefitted from such illicit activities. Grants the Attorney General authority to waive the mandatory exclusion of such family members in exceptional circumstances.

(Sec. 114) Authorizes Federal enforcement agencies to initiate forfeiture actions regarding funds deposited into a dollar-denominated account in a foreign bank that has a correspondent account in the United States. States that there is no requirement for the Federal Government to trace such funds.

(Sec. 115) Prescribes procedural guidelines for the service of Federal subpoenas for records of funds in correspondent bank accounts.

(Sec. 116) Amends the Controlled Substances Act regarding persons convicted of certain drug abuse violations to authorize a court to order a defendant to repatriate into the court's jurisdiction, for seizure and forfeiture, any property placed beyond that jurisdiction.

(Sec. 117) Amends the Federal judicial code to authorize a court to disallow a claim filed in a forfeiture proceeding on behalf of a corporation controlled by a natural person who is a fugitive in a related criminal case.

(Sec. 118) Amends the Federal Judicial Code with respect to enforcement of foreign judgments to prescribe procedural guidelines for the issuance of a restraining order to preserve the availability of property subject to a foreign forfeiture or confiscation judgment.

(Sec. 119) Amends the Right to Financial Privacy Act of 1978, the Fair Credit Reporting Act, and other Federal law governing records and reports on monetary instruments transactions to mandate that agencies subject to them share customer financial information with Federal intelligence or counterintelligence agencies for use against international terrorism.

(Sec. 120) Declares that the Financial Crimes Enforcement Network shall be a bureau in the Department of the Treasury, which shall: (1) advise the Under Secretary for Enforcement on financial intelligence and financial criminal activities; (2) maintain a government-wide data access service; (3) maintain a financial crimes communications center for Federal intelligence agency use; (4) establish a special unit to combat the use of informal, nonbank networks and payment and barter mechanisms that permit the transfer of funds and fund equivalents without records and without compliance with criminal and tax laws; and (5) coordinate with financial intelligence units in other countries on anti-terrorism and anti-money laundering initiatives.

(Sec. 121) Extends U.S. Customs Service border searches to international shipments of mail.

(Sec. 122) Establishes criminal penalties for false statements regarding the identity of customers of financial institutions.

(Sec. 123) Instructs the Secretary to prescribe regulations that would require financial institutions to maintain account holder identification and verification.

Requires the Secretary to study and report to Congress on measures that would require foreign nationals to: (1) provide domestic financial institutions and agencies with information comparable to that required of United States nationals; (2) obtain an identification number as a prerequisite to opening an account with such entities; and (3) establish a system for such entities to review federally maintained information for purposes of verifying the identities of foreign nationals seeking to open accounts.

(Sec. 124) Amends the Bank Holding Company Act of 1956 and the Federal Deposit Insurance Act to direct the oversight authorities, when reviewing acquisition or merger applications, to take into consideration the effectiveness of the anti-money laundering record of the companies or insured depository institutions involved.

(Sec. 125) Redefines "financial institution" and "money transmitting business" to include any person who engages as a business in the transmission of funds (including through an informal value transfer banking system or network of people (hawala) facilitating the transfer of value domestically or internationally outside of the conventional financial institutions system), thus placing such transactions within the purview of Federal law governing recordkeeping requirements of monetary instruments transaction.

Title II: Public-Private Cooperation - Directs the Secretary of the Treasury to: (1) establish a highly secure network in the Financial Crimes Enforcement Network that allows financial institutions to file reports of suspicious activities and receive alerts about them; (2) report to Congress on data collection and analysis, barriers to the exchange of financial crime information, and private banking activities in the United States; and (3) publish and disseminate periodically to the financial services industry detailed analyses of patterns of suspicious activity derived from law enforcement agencies.

(Sec. 205) Amends the Annunzio-Wylie Anti-Money Laundering Act to direct the Secretary to provide for a public-private task force on terrorist financing issues.

(Sec. 206) Instructs the Secretary to publish proposed regulations requiring registered brokers and dealers to submit suspicious activity reports. Authorizes the Secretary to prescribe regulations requiring submission of such reports by futures commission merchants, commodity trading advisors, and commodity pool operators.

(Sec. 207) Grants a financial institution civil liability immunity for making such disclosures. Prohibits any officer or employee of the institution, or any Federal, State, or local government officer or employee, from notifying any person involved in a suspicious transaction that it has been reported.

(Sec. 208) Amends the Federal Deposit Insurance Act to authorize the inclusion of suspicions of illegal activity in written employment references.

(Sec. 209) Instructs the Secretary to: (1) encourage foreign governments to require the inclusion of the name of the originator in wire transfer instructions sent to the United States and other countries; (2) report annually to certain congressional committees on progress towards and impediments to international cooperation on the identification of originators of wire transfers; and (3) study the impact of any policy of the Board of Governors of the Federal Reserve System relating to the promotion of check electronification, through truncation or migration from paper checks.

Title III: Combatting International Money Laundering - Authorizes the Secretary to require domestic financial institutions and domestic financial agencies to take one or more special measures if the Secretary finds that a jurisdiction outside the United States, one or more financial institutions operating outside the United States, one or more classes of transactions within or involving a jurisdiction outside the United States, or one or more types of accounts is of primary money laundering concern. Specifies such measures with respect to: (1) recordkeeping and reporting of certain financial transactions; (2) disclosures regarding beneficial ownership, certain payable-through and correspondent accounts; and (3) prohibitions and conditions upon certain correspondent or payable-through accounts opened by a domestic financial institution or agency on behalf of a foreign financial institution.

(Sec. 302) Mandates specified due diligence procedures for U.S. private banking and correspondent accounts involving foreign persons.

(Sec. 303) Prohibits U.S. depository institution correspondent accounts with foreign shell banks, including indirect service to such banks.

(Sec. 304) Requires each financial institution to establish anti-money laundering programs.

(Sec. 305) Authorizes the Secretary to prescribe regulations governing maintenance of concentration accounts by financial institutions in order to ensure that they are not used to prevent association of the identity of an individual customer with the movement of funds of which the customer is the direct or beneficial owner.

(Sec. 306) Instructs the Secretary to enter into negotiations for international cooperation in recordkeeping with respect to currency transactions, money laundering investigations, financial crimes, and the finances of terrorist groups. Authorizes the President to impose penalties and sanctions upon any country identified as being utilized by either a terrorist organization or any person engaged in money laundering or financial crimes.

(Sec. 307) Prohibits a person engaged in the business of betting or wagering from accepting a bank instrument for unlawful Internet gambling (including violations on Indian lands). Prescribes civil remedies and criminal penalties for violations of this prohibition.

(Sec. 308) Urges discussion of whether Internet gambling operations are used for money laundering, corruption, and crime issues during deliberations between the U.S. Government and any other country on such issues. Requires the Secretary to report annually to Congress on such deliberations as they relate to Internet gambling.

Title IV: Currency Protection - Amends the Federal criminal code to increase penalties for counterfeiting domestic and foreign currency and obligations. Includes counterfeiting by analog, digital, or electronic image.

(Sec. 403) Authorizes the Secretary to engrave and print currency, postage stamps, and other security documents for foreign governments.

Actions Timeline

- **Oct 17, 2001:** Reported (Amended) by the Committee on Financial Services. H. Rept. 107-250, Part I.(text of measure as reported in House: CR 10/16/2001 H6902-6915)
- **Oct 17, 2001:** Reported (Amended) by the Committee on Financial Services. H. Rept. 107-250, Part I. (text of measure as reported in House: CR 10/16/2001 H6902-6915)
- **Oct 17, 2001:** House Committee on Judiciary Granted an extension for further consideration ending not later than Oct. 17, 2001.
- **Oct 17, 2001:** House Committee on Ways and Means Granted an extension for further consideration ending not later than Oct. 17, 2001.
- **Oct 17, 2001:** Committee on Judiciary discharged.
- **Oct 17, 2001:** Committee on Judiciary discharged.
- **Oct 17, 2001:** Committee on Ways and Means discharged.
- **Oct 17, 2001:** Committee on Ways and Means discharged.
- **Oct 17, 2001:** Placed on the Union Calendar, Calendar No. 151.
- **Oct 17, 2001:** Mr. Oxley moved to suspend the rules and pass the bill, as amended.
- **Oct 17, 2001:** Considered under suspension of the rules. (consideration: CR H6924-6944)
- **Oct 17, 2001:** DEBATE - The House proceeded with forty minutes of debate on H.R. 3004.
- **Oct 17, 2001:** Passed/agreed to in House: On motion to suspend the rules and pass the bill, as amended Agreed to by the Yeas and Nays: (2/3 required): 412 - 1 (Roll no. 390).(text: CR H6924-6936)
- **Oct 17, 2001:** On motion to suspend the rules and pass the bill, as amended Agreed to by the Yeas and Nays: (2/3 required): 412 - 1 (Roll no. 390). (text: CR H6924-6936)
- **Oct 17, 2001:** Motion to reconsider laid on the table Agreed to without objection.
- **Oct 17, 2001:** Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
- **Oct 11, 2001:** Committee Consideration and Mark-up Session Held.
- **Oct 11, 2001:** Ordered to be Reported (Amended) by the Yeas and Nays: 62 - 1.
- **Oct 3, 2001:** Introduced in House
- **Oct 3, 2001:** Introduced in House
- **Oct 3, 2001:** Referred to the Committee on Financial Services, and in addition to the Committees on the Judiciary, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
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