

111TH CONGRESS
1ST SESSION

S. 331

To increase the number of Federal law enforcement officials investigating and prosecuting financial fraud.

IN THE SENATE OF THE UNITED STATES

JANUARY 27, 2009

Mr. SCHUMER (for himself, Mr. SHELBY, Mr. DURBIN, Mrs. FEINSTEIN, Mr. BAYH, Mr. TESTER, Mr. GRAHAM, Mr. SESSIONS, and Mr. ROBERTS) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To increase the number of Federal law enforcement officials investigating and prosecuting financial fraud.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Supplemental Anti-
5 Fraud Enforcement for our Market Act” or the “SAFE
6 Markets Act”.

7 **SEC. 2. FINDINGS.**

8 Congress finds the following:

1 (1) A critical part of solving our current finan-
2 cial crisis, and preventing future debacles, is to
3 bring to justice those who caused it through fraudu-
4 lent acts.

5 (2) However, law enforcement resources di-
6 rected to financial fraud have been severely dimin-
7 ished in the last several years. Recent reports indi-
8 cate that the FBI's staffing for white collar crimes
9 such as mortgage fraud has decreased by 36 percent
10 from 2001 levels, with a loss of 625 agents. The
11 number of Assistant United States Attorneys has in-
12 creased between .5 and 1 percent per year in recent
13 years, but virtually all new prosecutors have been
14 dedicated to fighting gang, internet, and immigra-
15 tion crimes, and some offices have been subjected to
16 hiring freezes. In addition, the budget of the Securi-
17 ties and Exchange Commission has remained static
18 for 3 years until Congress increased its appropria-
19 tions by 4 percent for 2009.

20 (3) In the wake of the Savings and Loan crisis
21 of the 1980s, a series of strike forces based in 27
22 cities was staffed with 1000 FBI agents and foren-
23 sic experts and dozens of federal prosecutors. That
24 effort yielded more than 600 convictions and
25 \$130,000,000 in ordered restitution.

1 (4) This authorization will bring FBI and pros-
2 ecutorial staffing up to the levels that are necessary
3 to investigate and prosecute complex financial
4 crimes. Only through effective law enforcement can
5 we restore worldwide faith in American markets.

6 **SEC. 3. ADDITIONAL LAW ENFORCEMENT.**

7 (a) **ADDITIONAL EMPLOYEES FOR THE FEDERAL**
8 **BUREAU OF INVESTIGATION.**—The Director of the Fed-
9 eral Bureau of Investigation is authorized to hire an addi-
10 tional 500 agents who shall be dedicated to investigating
11 violations of the law relating to the United States financial
12 markets.

13 (b) **ADDITIONAL EMPLOYEES FOR THE DEPARTMENT**
14 **OF JUSTICE.**—The Attorney General is authorized to hire
15 an additional 50 Assistant United States Attorneys who
16 shall be dedicated to prosecuting violations of the law re-
17 lating to the United States financial markets.

18 (c) **ADDITIONAL EMPLOYEES FOR THE SECURITIES**
19 **AND EXCHANGE COMMISSION, DIVISION OF ENFORCE-**
20 **MENT.**—The Securities and Exchange Commission is au-
21 thorized to hire 100 additional enforcement staff members
22 who shall be dedicated to prosecuting violations of the law
23 relating to the United States financial markets.

1 **SEC. 4. AUTHORIZATION.**

2 There are authorized to be appropriated to carry out
3 this Act \$110,000,000 for fiscal year 2009.

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