

(h) A prime contractor may not request payment from the agency of any amount withheld or retained in accordance with subsection (d) of this section until such time as the prime contractor has determined and certified to the agency that the subcontractor is entitled to the payment of such amount.

(i) A dispute between a contractor and subcontractor relating to the amount or entitlement of a subcontractor to a payment or a late payment interest penalty under a clause included in the subcontract pursuant to subsection (b) or (c) of this section does not constitute a dispute to which the United States is a party. The United States may not be interpleaded in any judicial or administrative proceeding involving such a dispute.

(j) Except as provided in subsection (i) of this section, this section shall not limit or impair any contractual, administrative, or judicial remedies otherwise available to a contractor or a subcontractor in the event of a dispute involving late payment or nonpayment by a prime contractor or deficient subcontract performance or nonperformance by a subcontractor.

(k) A contractor's obligation to pay an interest penalty to a subcontractor pursuant to the clauses included in a subcontract under subsection (b) or (c) of this section may not be construed to be an obligation of the United States for such interest penalty. A contract modification may not be made for the purpose of providing reimbursement of such interest penalty. A cost reimbursement claim may not include any amount for reimbursement of such interest penalty.

(Added Pub. L. 100-496, §9(a)(2), Oct. 17, 1988, 102 Stat. 2460; amended Pub. L. 107-217, §3(h)(7), Aug. 21, 2002, 116 Stat. 1300.)

PRIOR PROVISIONS

A prior section 3905 was renumbered section 3906 of this title.

AMENDMENTS

2002—Subsec. (f)(1). Pub. L. 107-217 substituted "section 3133(b) of title 40" for "section 2 of the Act of August 24, 1935 (40 U.S.C. 270b)".

EFFECTIVE DATE

Section applicable to payments under contracts awarded, contracts renewed, and contract options exercised during or after the first fiscal quarter which begins more than 90 days after Oct. 17, 1988, see section 14(a) of Pub. L. 100-496, set out as an Effective Date of 1988 Amendment note under section 3902 of this title.

[§ 3906. Repealed. Pub. L. 105-362, title XIII, § 1301(c)(1), Nov. 10, 1998, 112 Stat. 3293]

Section, added Pub. L. 97-452, §1(18)(A), Jan. 12, 1983, 96 Stat. 2476, §3905; renumbered §3906 and amended Pub. L. 100-496, §§9(a)(1), 10, Oct. 17, 1988, 102 Stat. 2460, 2463, required submission of reports to Director of the Office of Management and Budget by 60th day after end of fiscal year by head of each agency concerning agency's payment practices during that fiscal year.

A prior section 3906 was renumbered section 3907 of this title.

§ 3907. Relationship to other laws

(a) A claim for an interest penalty not paid under this chapter may be filed under section 7103 of title 41.

(b)(1) An interest penalty under this chapter does not continue to accrue—

- (A) after a claim for a penalty is filed under chapter 71 of title 41; or
(B) for more than one year.

(2) Paragraph (1) of this subsection does not prevent an interest penalty from accruing under section 7109(a)(1) and (b) of title 41 after a penalty stops accruing under this chapter. A penalty accruing under section 7109(a)(1) and (b) may accrue on an unpaid contract payment and on the unpaid penalty under this chapter.

(c) Except as provided in section 3904 of this title, this chapter does not require an interest penalty on a payment that is not made because of a dispute between the head of an agency and a business concern over the amount of payment or compliance with the contract. A claim related to the dispute, and interest payable for the period during which the dispute is being resolved, is subject to chapter 71 of title 41.

(Added Pub. L. 97-452, §1(18)(A), Jan. 12, 1983, 96 Stat. 2477, §3906; renumbered §3907, Pub. L. 100-496, §9(a)(1), Oct. 17, 1988, 102 Stat. 2460; amended Pub. L. 111-350, §5(h)(8), Jan. 4, 2011, 124 Stat. 3849.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Rows include 3906(a), 3906(b), and 3906(c) with their respective sources.

In the section, the words "be construed to" are omitted as surplus.

In subsection (a), the words "not paid under this chapter" are substituted for "which a Federal agency has failed to pay in accordance with the requirements of section 2 or 3 of this chapter" to eliminate unnecessary words.

In subsection (b)(2), the word "accruing" is added for clarity. The word "both" is omitted as surplus.

In subsection (c), the words "with respect to disputes concerning discounts", "by the required payment date", and "other allegations concerning" are omitted as surplus.

AMENDMENTS

2011—Subsec. (a). Pub. L. 111-350, §5(h)(8)(A), substituted "section 7103 of title 41" for "section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605)".

Subsec. (b)(1)(A). Pub. L. 111-350, §5(h)(8)(B), substituted "chapter 71 of title 41" for "the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.)".

Subsec. (b)(2). Pub. L. 111-350, §5(h)(8)(C), substituted "section 7109(a)(1) and (b) of title 41" for "section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611)" and "section 7109(a)(1) and (b) may" for "section 12 may".

Subsec. (c). Pub. L. 111-350, §5(h)(8)(D), substituted "chapter 71 of title 41" for "the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.)".

1988—Pub. L. 100-496 renumbered section 3906 of this title as this section.

SUBTITLE IV—MONEY

Table with 2 columns: Chap. and Sec. Lists sections 51. Coins and Currency and 53. Monetary Transactions with their respective section numbers.

CHAPTER 51—COINS AND CURRENCY

SUBCHAPTER I—MONETARY SYSTEM

- Sec.
- 5101. Decimal system.
- 5102. Standard weight.
- 5103. Legal tender.

SUBCHAPTER II—GENERAL AUTHORITY

- 5111. Minting and issuing coins, medals, and numismatic items.
- 5112. Denominations, specifications, and design of coins.
- 5113. Tolerances and testing of coins.
- 5114. Engraving and printing currency and security documents.
- 5115. United States currency notes.
- 5116. Buying and selling gold and silver.
- 5117. Transferring gold and gold certificates.
- 5118. Gold clauses and consent to sue.
- 5119. Redemption and cancellation of currency.
- 5120. Obsolete, mutilated, and worn coins and currency.
- 5121. Refining, assaying, and valuation of bullion.
- 5122. Payment to depositors.

SUBCHAPTER III—UNITED STATES MINT

- 5131. Organization.
- 5132. Administrative.
- 5133. Settlement of accounts.
- 5134. Numismatic Public Enterprise Fund.
- 5135. Numismatic Public Enterprise Fund.¹
- 5136. United States Mint Public Enterprise Fund.²

SUBCHAPTER IV—BUREAU OF ENGRAVING AND PRINTING

- 5141. Operation of the Bureau.
- 5142. Bureau of Engraving and Printing Fund.
- 5143. Payment for services.
- 5144. Providing impressions of portraits and vignettes.

SUBCHAPTER V—MISCELLANEOUS

- 5151. Conversion of currency of foreign countries.
- 5152. Value of United States money holdings in international institutions.
- 5153. Counterfeit currency.
- 5154. State taxation.
- 5155. Providing engraved plates of portraits of deceased members of Congress.

AMENDMENTS

1992—Pub. L. 102-390, title II, §§ 221(d), 225(b)(6), 229(b), Oct. 6, 1992, 106 Stat. 1629, 1630, 1632, substituted “UNITED STATES MINT” for “BUREAU OF THE MINT” in subchapter III heading and added items 5134 and 5135.

SUBCHAPTER I—MONETARY SYSTEM

§ 5101. Decimal system

United States money is expressed in dollars, dimes or tenths, cents or hundredths,¹ and mills or thousandths. A dime is a tenth of a dollar, a cent is a hundredth of a dollar, and a mill is a thousandth of a dollar.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 980.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5101	31:371.	R.S. §3563.

¹ So in original. Does not conform to section catchline.

² Editorially supplied. Section added by Pub. L. 104-52 without corresponding amendment of chapter analysis.

¹ So in original. Probably should be “hundredths.”

The word “money” is substituted for “money of account” to eliminate unnecessary words. As far as can be determined, the phrase “money of account” has not been interpreted by any court or Government agency. The phrase was used by Alexander Hamilton in his “Report on the Establishment of the Mint” (1791). In that Report, Hamilton propounded 6 questions, including:

1st. What ought to be the nature of the money unit of the United States?

Thereafter, Hamilton uses the phrases “money unit of the United States” and “money of account” interchangeably and in the sense that the phrases are used to denote the monetary system for keeping financial accounts. In short, the phrases simply indicate that financial accounts are to be based on a decimal money system:

. . . and it is certain that nothing can be more simple and convenient than the decimal subdivisions. There is every reason to expect that the method will speedily grow into general use, when it shall be seconded by corresponding coins. On this plan the unit in the money of account will continue to be, as established by that resolution [of August 8, 1786], a dollar, and its multiples, dimes, cents, and mills, or tenths, hundredths, [sic] and thousands.

Thus, the phrase “money of account” did not mean, by itself, that dollars or fractions of dollars must be equal to something having intrinsic or “substantive” value. This concept is supported by earlier writings of Thomas Jefferson in his “Notes on the Establishment of a Money Unit, and of a Coinage for the United States” (1784), and the 1782 report to the President of the Continental Congress on the coinage of the United States by the Superintendent of Finances, Robert Morris, which was apparently prepared by the Assistant Superintendent, Gouverneur Morris. See Paul L. Ford, *The Writings of Thomas Jefferson*, vol. III (G.P. Putnam’s Sons, 1894) pp. 446-457; William G. Sumner, *The Financier and the Finances of the American Revolution*, vol. II (Burt Franklin, 1891, reprinted 1970) pp. 36-47; and George T. Curtis, *History of the Constitution*, vol. I (Harper and Brothers, 1859) p. 443, n2. The words “or units” and “and all accounts in the public offices and all proceedings in the courts shall be kept and had in conformity to this regulation” are omitted as surplus.

SHORT TITLE OF 2010 AMENDMENT

Pub. L. 111-303, §1, Dec. 14, 2010, 124 Stat. 3275, provided that: “This Act [amending section 5112 of this title] may be cited as the ‘American Eagle Palladium Bullion Coin Act of 2010’.”

Pub. L. 111-302, §1, Dec. 14, 2010, 124 Stat. 3272, provided that: “This Act [amending section 5112 of this title and enacting provisions set out as notes under section 5112 of this title] may be cited as the ‘Coin Modernization, Oversight, and Continuity Act of 2010’.”

SHORT TITLE OF 2008 AMENDMENT

Pub. L. 110-456, §1, Dec. 23, 2008, 122 Stat. 5038, provided that: “This Act [amending section 5112 of this title and enacting provisions set out as a note under section 5112 of this title] may be cited as the ‘America’s Beautiful National Parks Quarter Dollar Coin Act of 2008’.”

SHORT TITLE OF 2007 AMENDMENT

Pub. L. 110-82, §1, Sept. 20, 2007, 121 Stat. 777, provided that: “This Act [amending section 5112 of this title and enacting provisions set out as a note under section 5112 of this title] may be cited as the ‘Native American \$1 Coin Act’.”

SHORT TITLE OF 2005 AMENDMENT

Pub. L. 109-145, §1, Dec. 22, 2005, 119 Stat. 2664, provided that: “This Act [amending section 5112 of this title and enacting provisions set out as notes under section 5112 of this title] may be cited as the ‘Presidential \$1 Coin Act of 2005’.”

SHORT TITLE OF 2003 AMENDMENT

Pub. L. 108-15, § 1, Apr. 23, 2003, 117 Stat. 615, provided that: “This Act [amending sections 5112, 5134, and 5135 of this title and enacting provisions set out as notes under sections 5112, 5134, and 5135 of this title] may be cited as the ‘American 5-Cent Coin Design Continuity Act of 2003.’”

SHORT TITLE OF 2002 AMENDMENT

Pub. L. 107-201, § 1, July 23, 2002, 116 Stat. 736, provided that: “This Act [amending section 5116 of this title and enacting provisions set out as notes under sections 5112 and 5116 of this title] may be cited as the ‘Support of American Eagle Silver Bullion Program Act.’”

SHORT TITLE OF 2000 AMENDMENT

Pub. L. 106-445, § 1, Nov. 6, 2000, 114 Stat. 1931, provided that: “This Act [amending sections 5112, 5132 and 5134 of this title] may be cited as the ‘United States Mint Numismatic Coin Clarification Act of 2000.’”

SHORT TITLE OF 1997 AMENDMENT

Pub. L. 105-124, § 1, Dec. 1, 1997, 111 Stat. 2534, provided that: “This Act [amending section 5112 of this title and enacting provisions set out as notes under this section and section 5112 of this title] may be cited as the ‘50 States Commemorative Coin Program Act.’”

Pub. L. 105-124, § 4(a), Dec. 1, 1997, 111 Stat. 2536, provided that: “This section [amending section 5112 of this title and enacting provisions set out as notes under section 5112 of this title] may be cited as the ‘United States \$1 Coin Act of 1997.’”

SHORT TITLE OF 1996 AMENDMENT

Pub. L. 104-329, § 1(a), Oct. 20, 1996, 110 Stat. 4005, provided that: “This Act [amending sections 5131 and 5135 of this title and enacting provisions set out as notes under this section, sections 5112 and 5135 of this title, and section 431 of Title 16, Conservation] may be cited as the ‘United States Commemorative Coin Act of 1996.’”

Pub. L. 104-329, title III, § 301, Oct. 20, 1996, 110 Stat. 4012, provided that: “This title [amending sections 5131 and 5135 of this title and enacting provisions set out as notes under sections 5112 and 5135 of this title] may be cited as the ‘50 States Commemorative Coin Program Act.’”

SHORT TITLE OF 1992 AMENDMENT

Pub. L. 102-390, title II, § 201, Oct. 6, 1992, 106 Stat. 1624, provided that: “This title [enacting sections 5134 and 5135 of this title, amending sections 304, 5111, 5112, 5119, 5131, and 5132 of this title and section 709 of Title 18, Crimes and Criminal Procedure, enacting provisions set out as notes under sections 5132 and 5134 of this title, amending provisions set out as notes under section 5112 of this title, and repealing provisions set out as a note under section 5112 of this title] may be cited as the ‘United States Mint Reauthorization and Reform Act of 1992.’”

SHORT TITLE OF 1990 AMENDMENT

Pub. L. 101-585, § 1, Nov. 15, 1990, 104 Stat. 2874, provided that: “This Act [amending section 5132 of this title] may be cited as the ‘Silver Coin Proof Sets Act.’”

§ 5102. Standard weight

The standard troy pound of the National Institute of Standards and Technology of the Department of Commerce shall be the standard used to ensure that the weight of United States coins conforms to specifications in section 5112 of this title.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 980; Pub. L. 100-418, title V, § 5115(c), Aug. 23, 1988, 102 Stat. 1433.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5102	31:364.	R.S. §3548; restated Mar. 4, 1911, ch. 268, §1, 36 Stat. 1354.

The words “National Bureau of Standards of the Department of Commerce” are substituted for “Bureau of Standards of the United States” because of 15:1511. The words “troy pound of the mint of the United States, conformably to which the coinage thereof shall be regulated” are omitted as unnecessary because of the restatement. The word “ensure” is substituted for “securing” as being more precise. The words “specifications in section 5112 of this title” are substituted for “the provisions of the laws relating to coinage” because of the restatement.

AMENDMENTS

1988—Pub. L. 100-418 substituted “National Institute of Standards and Technology” for “National Bureau of Standards”.

§ 5103. Legal tender

United States coins and currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks) are legal tender for all debts, public charges, taxes, and dues. Foreign gold or silver coins are not legal tender for debts.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 980; Pub. L. 97-452, § 1(19), Jan. 12, 1983, 96 Stat. 2477.)

HISTORICAL AND REVISION NOTES

1982 ACT

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5103	31:392. 31:456.	July 23, 1965, Pub. L. 89-81, §102, 79 Stat. 255. R.S. §3584.

The words “All . . . regardless of when coined or issued” are omitted as unnecessary because of the restatement. The word “debts” is substituted for “debts, public and private” to eliminate unnecessary words. The words “public charges, taxes, duties, and dues” are omitted as included in “debts”.

1983 ACT

This restores to 31:5103 the reference to public charges, taxes, and dues because they are not considered to be debts. See, *Hagar v. Reclamation District No. 108*, 111 U.S. 701, 706 (1884).

AMENDMENTS

1983—Pub. L. 97-452 inserted “, public charges, taxes, and dues” after “all debts”.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment effective Sept. 13, 1982, see section 2(i) of Pub. L. 97-452, set out as a note under section 3331 of this title.

SUBCHAPTER II—GENERAL AUTHORITY

§ 5111. Minting and issuing coins, medals, and numismatic items

(a) The Secretary of the Treasury—

(1) shall mint and issue coins described in section 5112 of this title in amounts the Secretary decides are necessary to meet the needs of the United States;

(2) may prepare national medal dies and strike national and other medals if it does not

interfere with regular minting operations but may not prepare private medal dies;

(3) may prepare and distribute numismatic items; and

(4) may mint coins for a foreign country if the minting does not interfere with regular minting operations, and shall prescribe a charge for minting the foreign coins equal to the cost of the minting (including labor, materials, and the use of machinery).

(b) The Department of the Treasury has a coinage metal fund and a coinage profit fund. The Secretary may use the coinage metal fund to buy metal to mint coins. The Secretary shall credit the coinage profit fund with the amount by which the nominal value of the coins minted from the metal exceeds the cost of the metal. The Secretary shall charge the coinage profit fund with waste incurred in minting coins and the cost of distributing the coins, including the cost of coin bags and pallets. The Secretary shall deposit in the Treasury as miscellaneous receipts excess amounts in the coinage profit fund.

(c) PROCUREMENTS RELATING TO COIN PRODUCTION.—

(1) IN GENERAL.—The Secretary may make contracts, on conditions the Secretary decides are appropriate and are in the public interest, to acquire articles, materials, supplies, and services (including equipment, manufacturing facilities, patents, patent rights, technical knowledge, and assistance) necessary to produce the coins referred to in this title.

(2) DOMESTIC CONTROL OF COINAGE.—(A) Subject to subparagraph (B), in order to protect the national security through domestic control of the coinage process, the Secretary shall acquire only such articles, materials, supplies, and services (including equipment, manufacturing facilities, patents, patent rights, technical knowledge, and assistance) for the production of coins as have been produced or manufactured in the United States unless the Secretary determines it to be inconsistent with the public interest, or the cost to be unreasonable, and publishes in the Federal Register a written finding stating the basis for the determination.

(B) Subparagraph (A) shall apply only in the case of a bid or offer from a supplier the principal place of business of which is in a foreign country which does not accord to United States companies the same competitive opportunities for procurements in connection with the production of coins as it accords to domestic companies.

(3) DETERMINATION.—

(A) IN GENERAL.—Any determination of the Secretary referred to in paragraph (2) shall not be reviewable in any administrative proceeding or court of the United States.

(B) OTHER RIGHTS UNAFFECTED.—This paragraph does not alter or annul any right of review that arises under any provision of any law or regulation of the United States other than paragraph (2).

(4) Nothing in paragraph (2) of this subsection in any way affects the procurement by the Secretary of gold and silver for the production of coins by the United States Mint.

(d)(1) The Secretary may prohibit or limit the exportation, melting, or treatment of United States coins when the Secretary decides the prohibition or limitation is necessary to protect the coinage of the United States.

(2) A person knowingly violating an order or license issued or regulation prescribed under paragraph (1) of this subsection, shall be fined not more than \$10,000, imprisoned not more than 5 years, or both.

(3) Coins exported, melted, or treated in violation of an order or license issued or regulation prescribed, and metal resulting from the melting or treatment, shall be forfeited to the United States Government. The powers of the Secretary and the remedies available to enforce forfeitures are those provided in part II of subchapter C of chapter 75 of the Internal Revenue Code of 1954¹ (26 U.S.C. 7321 et seq.).

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 980; Pub. L. 100-274, §3, Mar. 31, 1988, 102 Stat. 49; Pub. L. 102-390, title II, §222, Oct. 6, 1992, 106 Stat. 1629.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5111(a)(1)	31:272. 31:275. 31:322. 31:342. 31:345. 31:353. 31:391(a).	R.S. §3503. R.S. §3509; Aug. 23, 1912, ch. 350, §1(last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384. R.S. §3516. June 4, 1897, ch. 2, §1(1st par. under heading "Recoinage, Reissue, and Transportation of Minor Coins"), 30 Stat. 27. R.S. §3532; Aug. 23, 1912, ch. 350, §1(last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384. R.S. §3540; Aug. 23, 1912, ch. 350, §1(last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384. July 23, 1965, Pub. L. 89-81, §101(a), 79 Stat. 254; restated Dec. 31, 1970, Pub. L. 91-607, §201, 84 Stat. 1768.
5111(a)(2)	31:368.	R.S. §3551; Aug. 23, 1912, ch. 350, §1(last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384. Oct. 18, 1973, Pub. L. 93-127, §5, 87 Stat. 456.
5111(a)(3)	31:324h.	Jan. 29, 1874, ch. 19, 18 Stat. 6.
5111(a)(4) 5111(b)	31:367. 31:340.	R.S. §3528; Apr. 24, 1906, ch. 1861, 34 Stat. 132; Dec. 2, 1918, ch. 1, 40 Stat. 1051; Aug. 14, 1937, ch. 631, 50 Stat. 647; June 21, 1941, ch. 213, 55 Stat. 255; June 30, 1954, ch. 427, 68 Stat. 336; July 9, 1956, ch. 535, §1, 70 Stat. 518; restated July 23, 1965, Pub. L. 89-81, §206(a), 79 Stat. 256.
5111(c)	31:393(a).	July 23, 1965, Pub. L. 89-81, §§103(a), 105, 106, 79 Stat. 255.
5111(d)	31:395, 396.	

In subsection (a)(1), the words "coins described in" are substituted for "coins of the denominations set forth in" in 31:391(a) because of the restatement. The text of 31:253, 272, and 345(1st sentence) is omitted as superseded by the source provisions restated in section 321(c) of the revised title. The text of 31:275, 322, 342, 345(last sentence), and 353 is omitted as unnecessary because of the restatement.

In subsection (a)(2), the words "Secretary of the Treasury" are substituted for "engraver" and "super-

¹ See References in Text note below.

intendent of coining department of the mint at Philadelphia” because of the source provisions restated in section 321(c) of the revised title. The words “under such regulations as the superintendent, with the approval of the Director of the Mint, may prescribe” are omitted as unnecessary because of section 321(b) of the revised title. The words “national medal dies” are substituted for “Dies of a national character” for clarity. The words “or the machinery or apparatus thereof be used for that purpose” are omitted as unnecessary because of the restatement.

In subsection (a)(3), the words “numismatic items” are retained and used throughout the revised title to apply to medals, proof coins, uncirculated coins, numismatic accessories, and other numismatic items to eliminate unnecessary words and for consistency. The words “In connection with the operations of the Bureau of the Mint” are omitted as unnecessary because of the restatement. The text of 31:324h(last sentence) is omitted as unnecessary because of the source provisions restated in section 5132(a) of the revised title.

In subsection (a)(4), the words “may mint” are substituted for “It shall be lawful for coinage to be executed” in 31:367, and the words “regular minting operations” are substituted for “required coinage of the United States”, for consistency in the revised section. The words “at the mints of the United States” and “according to the legally prescribed standards and devices of such country” are omitted as unnecessary because of the restatement. The words “The Secretary of the Treasury . . . shall prescribe a charge” are substituted for “the charge . . . to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury” because of the source provisions restated in section 321(c) of the revised title. The words “minting the foreign coins” are substituted for “the same”, for clarity. The words “under such regulations as the Secretary of the Treasury may prescribe” are omitted as unnecessary because of section 321(b) of the revised title.

In subsection (b), the first sentence is added for clarity and because of the restatement. The words “amount by which the nominal value of the coins minted from the metal exceeds the cost of the metal” are substituted for “gain arising from the coinage of metals purchased out of such fund into coin of a nominal value exceeding the cost of such metals” to eliminate unnecessary words. The words “The Secretary shall deposit in the Treasury as miscellaneous receipts excess amounts in the coinage profit fund” are substituted for “such sums as shall from time to time be transferred therefrom to the general fund of the Treasury” for clarity and for consistency in the revised title.

In subsection (c), the words “metallic strip” are omitted as being included in “materials”, and the word “terms” is omitted as being included in “conditions”.

In subsection (d)(1), the words “prohibit or limit” are substituted for “prohibit, curtail, or regulate” because of the restatement and to eliminate unnecessary words. The words “prohibition or limitation” are substituted for “such action” because of the restatement. The words “under such rules and regulations as he may prescribe” are omitted as unnecessary because of section 321(b) of the revised title.

In subsection (d)(2), the word “person” is substituted for “Whoever” for consistency in the revised title.

In subsection (d)(3), the words “and his delegates” are omitted as unnecessary because of the power of the Secretary to delegate under section 321(b) of the revised title. The word “remedies” is substituted for “judicial and other remedies available to the United States” to eliminate unnecessary words. The words “of property subject to forfeiture pursuant to subsection (a) of this section” and “for the enforcement of forfeitures of property subject to forfeiture under any provision of title 26” are omitted as unnecessary because of the restatement.

REFERENCES IN TEXT

The Internal Revenue Code of 1954, referred to in subsec. (d)(3), was redesignated the Internal Revenue Code

of 1986 by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, and is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS

1992—Subsec. (b). Pub. L. 102-390 inserted “, including the cost of coin bags and pallets” after “distributing the coins” in fourth sentence.

1988—Subsec. (c). Pub. L. 100-274 inserted heading and amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “The Secretary may make contracts on conditions the Secretary decides are appropriate and in the public interest to acquire equipment, manufacturing facilities, patents, patent rights, technical knowledge and assistance, and materials necessary to produce rapidly an adequate supply of coins referred to in section 5112(a)(1)-(4) of this title.”

TERMINATION OF COINAGE PROFIT FUND AND COINAGE METAL FUND

All assets and liabilities of Coinage Profit Fund and Coinage Metal Fund transferred to United States Mint Public Enterprise Fund and both coinage funds to cease to exist as separate funds as their activities and functions are subsumed under and subject to United States Mint Public Enterprise Fund, see section 5136 of this title.

COMMEMORATIVE MEDALS

Provisions authorizing commemorative medals were contained in the following acts:

Pub. L. 112-76, Dec. 23, 2011, 125 Stat. 1275, recognizing the fallen heroes who perished as a result of the terrorist attacks on the United States on Sept. 11, 2001.

Pub. L. 112-59, Nov. 23, 2011, 125 Stat. 749, recognizing the Montford Point Marines.

Pub. L. 111-254, Oct. 5, 2010, 124 Stat. 2637, recognizing the 100th Infantry Battalion, the 442nd Regimental Combat Team, and the Military Intelligence Service, United States Army, for service during World War II.

Pub. L. 111-253, Oct. 5, 2010, 124 Stat. 2635, recognizing Dr. Muhammad Yunus.

Pub. L. 111-221, Aug. 6, 2010, 124 Stat. 2376, recognizing the 10th anniversary of Sept. 11, 2001, and the establishment of the National September 11 Memorial & Museum.

Pub. L. 111-65, Sept. 30, 2009, 123 Stat. 2003, recognizing Arnold Palmer.

Pub. L. 111-44, Aug. 7, 2009, 123 Stat. 1966, recognizing Neil A. Armstrong, Edwin E. “Buzz” Aldrin, Jr., Michael Collins, and John Herschel Glenn, Jr.

Pub. L. 111-40, July 1, 2009, 123 Stat. 1958, recognizing the Women Airforce Service Pilots (WASP).

Pub. L. 110-420, Oct. 15, 2008, 122 Stat. 4774, recognizing Native American code talkers.

Pub. L. 110-260, July 1, 2008, 122 Stat. 2433, recognizing Senator Edward William Brooke III.

Pub. L. 110-259, July 1, 2008, 122 Stat. 2430, recognizing Constantino Brumidi.

Pub. L. 110-209, May 6, 2008, 122 Stat. 721, recognizing Aung San Suu Kyi.

Pub. L. 110-95, Oct. 16, 2007, 121 Stat. 1008, recognizing Michael Ellis DeBakey, M.D.

Pub. L. 109-395, Dec. 14, 2006, 120 Stat. 2708, recognizing Dr. Norman E. Borlaug.

Pub. L. 109-357, Oct. 16, 2006, 120 Stat. 2044, recognizing Byron Nelson.

Pub. L. 109-287, Sept. 27, 2006, 120 Stat. 1231, recognizing the Fourteenth Dalai Lama.

Pub. L. 109-213, Apr. 11, 2006, 120 Stat. 322, recognizing the Tuskegee Airmen.

Pub. L. 108-447, div. B, title I, §124, Dec. 8, 2004, 118 Stat. 2871, as amended by Pub. L. 109-13, div. A, title VI, §6060, May 11, 2005, 119 Stat. 297, recognizing members of public safety agencies killed in the terrorist attacks in the United States on Sept. 11, 2001.

Pub. L. 108-368, Oct. 25, 2004, 118 Stat. 1746, recognizing Reverend Doctor Martin Luther King, Jr., and his widow Coretta Scott King.

Pub. L. 108-180, Dec. 15, 2003, 117 Stat. 2645, recognizing Reverend Joseph A. DeLaine, Harry and Eliza Briggs, and Levi Pearson.

Pub. L. 108-162, Dec. 6, 2003, 117 Stat. 2017, recognizing Dr. Dorothy Irene Height.

Pub. L. 108-101, Oct. 29, 2003, 117 Stat. 1195, recognizing Jackie Robinson.

Pub. L. 108-60, July 17, 2003, 117 Stat. 862, recognizing Prime Minister Tony Blair.

Pub. L. 107-127, Jan. 16, 2002, 115 Stat. 2405, recognizing General Henry H. Shelton.

Pub. L. 106-554, §1(a)(4) [div. B, title XI, §1101], Dec. 21, 2000, 114 Stat. 2763, 2763A-311, recognizing the Navajo Code Talkers.

Pub. L. 106-251, July 27, 2000, 114 Stat. 624, recognizing Ronald and Nancy Reagan.

Pub. L. 106-250, July 27, 2000, 114 Stat. 622, recognizing Pope John Paul II.

Pub. L. 106-225, June 20, 2000, 114 Stat. 457, recognizing Charles M. Schulz.

Pub. L. 106-175, Mar. 5, 2000, 114 Stat. 21, recognizing Archbishop John Cardinal O'Connor.

Pub. L. 106-153, Dec. 9, 1999, 113 Stat. 1733, recognizing Father Theodore M. Hesburgh.

Pub. L. 106-26, May 4, 1999, 113 Stat. 50, recognizing Rosa Parks.

Pub. L. 105-277, div. C, title I, §139(a), Oct. 21, 1998, 112 Stat. 2681-597, recognizing the individuals commonly referred to as the "Little Rock Nine".

Pub. L. 105-277, div. C, title I, §139(b), Oct. 21, 1998, 112 Stat. 2681-598, recognizing Gerald R. and Betty Ford.

Pub. L. 105-215, July 29, 1998, 112 Stat. 895, recognizing Nelson Rolihlahla Mandela.

Pub. L. 105-51, Oct. 6, 1997, 111 Stat. 1170, recognizing Ecumenical Patriarch Bartholomew.

Pub. L. 105-16, June 2, 1997, 111 Stat. 35, recognizing Mother Teresa of Calcutta.

Pub. L. 105-14, May 14, 1997, 111 Stat. 32, recognizing Frank Sinatra.

Pub. L. 104-201, div. A, title X, §1066, Sept. 23, 1996, 110 Stat. 2654, recognizing civilians who defended Pearl Harbor.

Pub. L. 104-111, Feb. 13, 1996, 110 Stat. 772, recognizing Billy and Ruth Graham.

Pub. L. 103-457, Nov. 2, 1994, 108 Stat. 4799, recognizing Rabbi Menachem Mendel Schneerson.

Pub. L. 102-479, Oct. 23, 1992, 106 Stat. 2308, commemorating the 250th anniversary of the founding of the American Philosophical Society and of the birth of Thomas Jefferson.

Pub. L. 102-406, Oct. 12, 1992, 106 Stat. 1986, commemorating Benjamin Franklin's contributions to American fire services.

Pub. L. 102-281, title III, May 13, 1992, 106 Stat. 137; Pub. L. 103-328, title II, §203, Sept. 29, 1994, 108 Stat. 2369, recognizing members of the United States Armed Forces who served in a combat zone in connection with the Persian Gulf conflict.

Pub. L. 102-33, Apr. 23, 1991, 105 Stat. 177, recognizing General Colin L. Powell.

Pub. L. 102-32, Apr. 23, 1991, 105 Stat. 175, recognizing General H. Norman Schwarzkopf.

Pub. L. 101-510, div. A, title XIV, §§1491, 1494, Nov. 5, 1990, 104 Stat. 1720, 1722, recognizing General Matthew B. Ridgway.

Pub. L. 101-510, div. A, title XIV, §§1492, 1494, Nov. 5, 1990, 104 Stat. 1721, 1722, recognizing veterans of the Armed Forces of the United States who were present in Hawaii on Dec. 7, 1941, and participated in combat operations that day.

Pub. L. 101-510, div. A, title XIV, §§1493, 1494, Nov. 5, 1990, 104 Stat. 1722, commemorating centennial of Yosemite National Park.

Pub. L. 101-296, May 17, 1990, 104 Stat. 197, recognizing Laurance Spelman Rockefeller.

Pub. L. 101-260, Mar. 30, 1990, 104 Stat. 122, commemorating bicentennial of United States Coast Guard.

Pub. L. 100-639, Nov. 9, 1988, 102 Stat. 3331, recognizing Andrew Wyeth.

Pub. L. 100-437, §§1-3, Sept. 20, 1988, 102 Stat. 1717, recognizing Jesse Owens.

Pub. L. 100-210, §§1, 2, Dec. 24, 1987, 101 Stat. 1441, recognizing Mary Lasker.

Pub. L. 99-418, Sept. 23, 1986, 100 Stat. 952, recognizing Aaron Copland.

Pub. L. 99-311, May 20, 1986, 100 Stat. 464, recognizing Harry Chapin.

Pub. L. 99-298, May 13, 1986, 100 Stat. 432, recognizing Natan (Anatoly) and Avital Shcharansky.

Pub. L. 99-295, May 12, 1986, 100 Stat. 427; Pub. L. 100-210, §3, Dec. 24, 1987, 101 Stat. 1441; Pub. L. 100-437, §4, Sept. 20, 1988, 102 Stat. 1717, commemorating the Young Astronaut Program.

Pub. L. 95-630, title IV, §§401-407, Nov. 10, 1978, 92 Stat. 3679, 3680, recognizing outstanding individuals in the American arts.

§ 5112. Denominations, specifications, and design of coins

(a) The Secretary of the Treasury may mint and issue only the following coins:

(1) a dollar coin that is 1.043 inches in diameter.

(2) a half dollar coin that is 1.205 inches in diameter and weighs 11.34 grams.

(3) a quarter dollar coin that is 0.955 inch in diameter and weighs 5.67 grams.

(4) a dime coin that is 0.705 inch in diameter and weighs 2.268 grams.

(5) a 5-cent coin that is 0.835 inch in diameter and weighs 5 grams.

(6) except as provided under subsection (c) of this section, a one-cent coin that is 0.75 inch in diameter and weighs 3.11 grams.

(7) A fifty dollar gold coin that is 32.7 millimeters in diameter, weighs 33.931 grams, and contains one troy ounce of fine gold.

(8) A twenty-five dollar gold coin that is 27.0 millimeters in diameter, weighs 16.966 grams, and contains one-half troy ounce of fine gold.

(9) A ten dollar gold coin that is 22.0 millimeters in diameter, weighs 8.483 grams, and contains one-fourth troy ounce of fine gold.

(10) A five dollar gold coin that is 16.5 millimeters in diameter, weighs 3.393 grams, and contains one-tenth troy ounce of fine gold.

(11) A \$50 gold coin that is of an appropriate size and thickness, as determined by the Secretary, weighs 1 ounce, and contains 99.99 percent pure gold.

(12) A \$25 coin of an appropriate size and thickness, as determined by the Secretary, that weighs 1 troy ounce and contains .9995 fine palladium.

(b) The half dollar, quarter dollar, and dime coins are clad coins with 3 layers of metal. The 2 identical outer layers are an alloy of 75 percent copper and 25 percent nickel. The inner layer is copper. The outer layers are metallurgically bonded to the inner layer and weigh at least 30 percent of the weight of the coin. The dollar coin shall be golden in color, have a distinctive edge, have tactile and visual features that make the denomination of the coin readily discernible, be minted and fabricated in the United States, and have similar metallic, anti-counterfeiting properties as United States coinage in circulation on the date of enactment of the United States \$1 Coin Act of 1997. The 5-cent coin is an alloy of 75 percent copper and 25 percent nickel. In minting 5-cent coins, the Secretary shall use bars that vary not more than 2.5 percent from the percent of nickel required. Ex-

cept as provided under subsection (c) of this section, the one-cent coin is an alloy of 95 percent copper and 5 percent zinc. In minting gold coins, the Secretary shall use alloys that vary not more than 0.1 percent from the percent of gold required. The specifications for alloys are by weight.

(c) The Secretary may prescribe the weight and the composition of copper and zinc in the alloy of the one-cent coin that the Secretary decides are appropriate when the Secretary decides that a different weight and alloy of copper and zinc are necessary to ensure an adequate supply of one-cent coins to meet the needs of the United States.

(d)(1) United States coins shall have the inscription “In God We Trust”. The obverse side of each coin shall have the inscription “Liberty”. The reverse side of each coin shall have the inscriptions “United States of America” and “E Pluribus Unum” and a designation of the value of the coin. The design on the reverse side of the dollar, half dollar, and quarter dollar is an eagle. Subject to other provisions of this subsection, the obverse of any 5-cent coin issued after December 31, 2005, shall bear the likeness of Thomas Jefferson and the reverse of any such 5-cent coin shall bear an image of the home of Thomas Jefferson at Monticello. The Secretary of the Treasury, in consultation with the Congress, shall select appropriate designs for the obverse and reverse sides of the dollar coin. The coins have an inscription of the year of minting or issuance. However, to prevent or alleviate a shortage of a denomination, the Secretary may inscribe coins of the denomination with the year that was last inscribed on coins of the denomination.

(2) The Secretary shall prepare the devices, models, hubs, and dies for coins, emblems, devices, inscriptions, and designs authorized under this chapter. The Secretary may, after consulting with the Citizens Coinage Advisory Committee and the Commission of Fine Arts, adopt and prepare new designs or models of emblems or devices that are authorized in the same way as when new coins or devices are authorized. The Secretary may change the design or die of a coin only once within 25 years of the first adoption of the design, model, hub, or die for that coin. The Secretary may procure services under section 3109 of title 5 in carrying out this paragraph.

(e) Notwithstanding any other provision of law, the Secretary shall mint and issue, in quantities and quantities that the Secretary determines are sufficient to meet public demand, coins which—

- (1) are 40.6 millimeters in diameter and weigh 31.103 grams;
- (2) contain .999 fine silver;
- (3) have a design—
 - (A) symbolic of Liberty on the obverse side; and
 - (B) of an eagle on the reverse side;
- (4) have inscriptions of the year of minting or issuance, and the words “Liberty”, “In God We Trust”, “United States of America”, “1 Oz. Fine Silver”, “E Pluribus Unum”, and “One Dollar”; and
- (5) have reeded edges.

(f) SILVER COINS.—

(1) SALE PRICE.—The Secretary shall sell the coins minted under subsection (e) to the public at a price equal to the market value of the bullion at the time of sale, plus the cost of minting, marketing, and distributing such coins (including labor, materials, dies, use of machinery, and promotional and overhead expenses).

(2) BULK SALES.—The Secretary shall make bulk sales of the coins minted under subsection (e) at a reasonable discount.

(3) NUMISMATIC ITEMS.—For purposes of section 5132(a)(1) of this title, all coins minted under subsection (e) shall be considered to be numismatic items.

(g) For purposes of section 5132(a)(1) of this title, all coins minted under subsection (e) of this section shall be considered to be numismatic items.

(h) The coins issued under this title shall be legal tender as provided in section 5103 of this title.

(i)(1) Notwithstanding section 5111(a)(1) of this title, the Secretary shall mint and issue the gold coins described in paragraphs (7), (8), (9), and (10) of subsection (a) of this section, in quantities and quantities that the Secretary determines are sufficient to meet public demand, and such gold coins shall—

(A) have a design determined by the Secretary, except that the fifty dollar gold coin shall have—

- (i) on the obverse side, a design symbolic of Liberty; and
- (ii) on the reverse side, a design representing a family of eagles, with the male carrying an olive branch and flying above a nest containing a female eagle and hatchlings;

(B) have inscriptions of the denomination, the weight of the fine gold content, the year of minting or issuance, and the words “Liberty”, “In God We Trust”, “United States of America”, and “E Pluribus Unum”; and

(C) have reeded edges.

(2)(A) The Secretary shall sell the coins minted under this subsection to the public at a price equal to the market value of the bullion at the time of sale, plus the cost of minting, marketing, and distributing such coins (including labor, materials, dies, use of machinery, and promotional and overhead expenses).

(B) The Secretary shall make bulk sales of the coins minted under this subsection at a reasonable discount.

(3) For purposes of section 5132(a)(1) of this title, all coins minted under this subsection shall be considered to be numismatic items.

(4)(A) Notwithstanding any other provision of law and subject to subparagraph (B), the Secretary of the Treasury may change the diameter, weight, or design of any coin minted under this subsection or the fineness of the gold in the alloy of any such coin if the Secretary determines that the specific diameter, weight, design, or fineness of gold which differs from that otherwise required by law is appropriate for such coin.

(B) The Secretary may not mint any coin with respect to which a determination has been made by the Secretary under subparagraph (A) before

the end of the 30-day period beginning on the date a notice of such determination is published in the Federal Register.

(C) The Secretary may continue to mint and issue coins in accordance with the specifications contained in paragraphs (7), (8), (9), and (10) of subsection (a) and paragraph (1)(A) of this subsection at the same time the Secretary in minting and issuing other bullion and proof gold coins under this subsection in accordance with such program procedures and coin specifications, designs, varieties, quantities, denominations, and inscriptions as the Secretary, in the Secretary's discretion, may prescribe from time to time.

(j) GENERAL WAIVER OF PROCUREMENT REGULATIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for minting, marketing, or issuing any coin authorized under paragraph (7), (8), (9), or (10) of subsection (a) or subsection (e), including any proof version of any such coin.

(2) EQUAL EMPLOYMENT OPPORTUNITY.—Paragraph (1) shall not relieve any person entering into a contract with respect to any coin referred to in such paragraph from complying with any law relating to equal employment opportunity.

(k) The Secretary may mint and issue platinum bullion coins and proof platinum coins in accordance with such specifications, designs, varieties, quantities, denominations, and inscriptions as the Secretary, in the Secretary's discretion, may prescribe from time to time.

(l) REDESIGN AND ISSUANCE OF QUARTER DOLLAR IN COMMEMORATION OF EACH OF THE 50 STATES.—

(1) REDESIGN BEGINNING IN 1999.—

(A) IN GENERAL.—Notwithstanding the fourth sentence of subsection (d)(1) and subsection (d)(2), quarter dollar coins issued during the 10-year period beginning in 1999, shall have designs on the reverse side selected in accordance with this subsection which are emblematic of the 50 States.

(B) TRANSITION PROVISION.—Notwithstanding subparagraph (A), the Secretary may continue to mint and issue quarter dollars in 1999 which bear the design in effect before the redesign required under this subsection and an inscription of the year "1998" as required to ensure a smooth transition into the 10-year program under this subsection.

(C) FLEXIBILITY WITH REGARD TO PLACEMENT OF INSCRIPTIONS.—Notwithstanding subsection (d)(1), the Secretary may select a design for quarter dollars issued during the 10-year period referred to in subparagraph (A) in which—

(i) the inscription described in the second sentence of subsection (d)(1) appears on the reverse side of any such quarter dollars; and

(ii) any inscription described in the third sentence of subsection (d)(1) or the designation of the value of the coin appears on the obverse side of any such quarter dollars.

(2) SINGLE STATE DESIGNS.—The design on the reverse side of each quarter dollar issued during the 10-year period referred to in paragraph (1) shall be emblematic of 1 of the 50 States.

(3) ISSUANCE OF COINS COMMEMORATING 5 STATES DURING EACH OF THE 10 YEARS.—

(A) IN GENERAL.—The designs for the quarter dollar coins issued during each year of the 10-year period referred to in paragraph (1) shall be emblematic of 5 States selected in the order in which such States ratified the Constitution of the United States or were admitted into the Union, as the case may be.

(B) NUMBER OF EACH OF 5 COIN DESIGNS IN EACH YEAR.—Of the quarter dollar coins issued during each year of the 10-year period referred to in paragraph (1), the Secretary of the Treasury shall prescribe, on the basis of such factors as the Secretary determines to be appropriate, the number of quarter dollars which shall be issued with each of the 5 designs selected for such year.

(4) SELECTION OF DESIGN.—

(A) IN GENERAL.—Each of the 50 designs required under this subsection for quarter dollars shall be—

(i) selected by the Secretary after consultation with—

(I) the Governor of the State being commemorated, or such other State officials or group as the State may designate for such purpose; and

(II) the Commission of Fine Arts; and

(ii) reviewed by the Citizens Coinage Advisory Committee.

(B) SELECTION AND APPROVAL PROCESS.—Designs for quarter dollars may be submitted in accordance with the design selection and approval process developed by the Secretary in the sole discretion of the Secretary.

(C) PARTICIPATION.—The Secretary may include participation by State officials, artists from the States, engravers of the United States Mint, and members of the general public.

(D) STANDARDS.—Because it is important that the Nation's coinage and currency bear dignified designs of which the citizens of the United States can be proud, the Secretary shall not select any frivolous or inappropriate design for any quarter dollar minted under this subsection.

(E) PROHIBITION ON CERTAIN REPRESENTATIONS.—No head and shoulders portrait or bust of any person, living or dead, and no portrait of a living person may be included in the design of any quarter dollar under this subsection.

(5) TREATMENT AS NUMISMATIC ITEMS.—For purposes of sections 5134 and 5136, all coins minted under this subsection shall be considered to be numismatic items.

(6) ISSUANCE.—

(A) QUALITY OF COINS.—The Secretary may mint and issue such number of quarter dollars of each design selected under paragraph

(4) in uncirculated and proof qualities as the Secretary determines to be appropriate.

(B) SILVER COINS.—Notwithstanding subsection (b), the Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (4) as the Secretary determines to be appropriate, with a content of 90 percent silver and 10 percent copper.

(C) SOURCES OF BULLION.—The Secretary shall obtain silver for minting coins under subparagraph (B) from available resources, including stockpiles established under the Strategic and Critical Materials Stock Piling Act.

(7) APPLICATION IN EVENT OF THE ADMISSION OF ADDITIONAL STATES.—If any additional State is admitted into the Union before the end of the 10-year period referred to in paragraph (1), the Secretary of the Treasury may issue quarter dollar coins, in accordance with this subsection, with a design which is emblematic of such State during any 1 year of such 10-year period, in addition to the quarter dollar coins issued during such year in accordance with paragraph (3)(A).

(m) COMMEMORATIVE COIN PROGRAM RESTRICTIONS.—

(1) MAXIMUM NUMBER.—Beginning January 1, 1999, the Secretary may mint and issue commemorative coins under this section during any calendar year with respect to not more than 2 commemorative coin programs.

(2) MINTAGE LEVELS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), in carrying out any commemorative coin program, the Secretary shall mint—

- (i) not more than 750,000 clad half-dollar coins;
- (ii) not more than 500,000 silver one-dollar coins; and
- (iii) not more than 100,000 gold five-dollar or ten-dollar coins.

(B) EXCEPTION.—If the Secretary determines, based on independent, market-based research conducted by a designated recipient organization of a commemorative coin program, that the mintage levels described in subparagraph (A) are not adequate to meet public demand for that commemorative coin, the Secretary may waive one or more of the requirements of subparagraph (A) with respect to that commemorative coin program.

(C) DESIGNATED RECIPIENT ORGANIZATION DEFINED.—For purposes of this paragraph, the term “designated recipient organization” means any organization designated, under any provision of law, as the recipient of any surcharge imposed on the sale of any numismatic item.

(n) REDESIGN AND ISSUANCE OF CIRCULATING \$1 COINS HONORING EACH OF THE PRESIDENTS OF THE UNITED STATES.—

(1) REDESIGN BEGINNING IN 2007.—Notwithstanding subsection (d) and in accordance with the provisions of this subsection, \$1 coins issued during the period beginning January 1,

2007, and ending upon the termination of the program under paragraph (8), shall—

(A) have designs on the obverse selected in accordance with paragraph (2)(B) which are emblematic of the Presidents of the United States; and

(B) have a design on the reverse selected in accordance with paragraph (2)(A).

(2) DESIGN REQUIREMENTS.—The \$1 coins issued in accordance with paragraph (1)(A) shall meet the following design requirements:

(A) COIN REVERSE.—The design on the reverse shall bear—

- (i) a likeness of the Statue of Liberty extending to the rim of the coin and large enough to provide a dramatic representation of Liberty while not being large enough to create the impression of a “2-headed” coin;
- (ii) the inscription “\$1”; and
- (iii) the inscription “United States of America”.

(B) COIN OVERSE.—The design on the obverse shall contain—

- (i) the name and likeness of a President of the United States; and
- (ii) basic information about the President, including—
 - (I) the dates or years of the term of office of such President; and
 - (II) a number indicating the order of the period of service in which the President served.

(C) EDGE-INCUSED INSCRIPTIONS.—

(i) IN GENERAL.—The inscription of the year of minting or issuance of the coin and the inscription “E Pluribus Unum” shall be edge-incused into the coin.

(ii) PRESERVATION OF DISTINCTIVE EDGE.—The edge-incusing of the inscriptions under clause (i) on coins issued under this subsection shall be done in a manner that preserves the distinctive edge of the coin so that the denomination of the coin is readily discernible, including by individuals who are blind or visually impaired.

(D) INSCRIPTIONS OF “LIBERTY”.—Notwithstanding the second sentence of subsection (d)(1), because the use of a design bearing the likeness of the Statue of Liberty on the reverse of the coins issued under this subsection adequately conveys the concept of Liberty, the inscription of “Liberty” shall not appear on the coins.

(E) LIMITATION IN SERIES TO DECEASED PRESIDENTS.—No coin issued under this subsection may bear the image of a living former or current President, or of any deceased former President during the 2-year period following the date of the death of that President.

(F) INSCRIPTION OF “IN GOD WE TRUST”.—The design on the obverse or the reverse shall bear the inscription “In God We Trust”.

(3) ISSUANCE OF COINS COMMEMORATING PRESIDENTS.—

(A) ORDER OF ISSUANCE.—The coins issued under this subsection commemorating Presi-

dents of the United States shall be issued in the order of the period of service of each President, beginning with President George Washington.

(B) TREATMENT OF PERIOD OF SERVICE.—

(i) IN GENERAL.—Subject to clause (ii), only 1 coin design shall be issued for a period of service for any President, no matter how many consecutive terms of office the President served.

(ii) NONCONSECUTIVE TERMS.—If a President has served during 2 or more nonconsecutive periods of service, a coin shall be issued under this subsection for each such nonconsecutive period of service.

(4) ISSUANCE OF COINS COMMEMORATING 4 PRESIDENTS DURING EACH YEAR OF THE PERIOD.—

(A) IN GENERAL.—The designs for the \$1 coins issued during each year of the period referred to in paragraph (1) shall be emblematic of 4 Presidents until each President has been so honored, subject to paragraph (2)(E).

(B) NUMBER OF 4 CIRCULATING COIN DESIGNS IN EACH YEAR.—The Secretary shall prescribe, on the basis of such factors as the Secretary determines to be appropriate, the number of \$1 coins that shall be issued with each of the designs selected for each year of the period referred to in paragraph (1).

(5) LEGAL TENDER.—The coins minted under this title shall be legal tender, as provided in section 5103.

(6) TREATMENT AS NUMISMATIC ITEMS.—For purposes of section¹ 5134 and 5136, all coins minted under this subsection shall be considered to be numismatic items.

(7) ISSUANCE OF NUMISMATIC COINS.—The Secretary may mint and issue such number of \$1 coins of each design selected under this subsection in uncirculated and proof qualities as the Secretary determines to be appropriate.

(8) TERMINATION OF PROGRAM.—The issuance of coins under this subsection shall terminate when each President has been so honored, subject to paragraph (2)(E), and may not be resumed except by an Act of Congress.

(9) REVERSION TO PRECEDING DESIGN.—Upon the termination of the issuance of coins under this subsection, the design of all \$1 coins shall revert to the so-called “Sacagawea-design” \$1 coins.

(o) FIRST SPOUSE BULLION COIN PROGRAM.—

(1) IN GENERAL.—During the same period described in subsection (n), the Secretary shall issue bullion coins under this subsection that are emblematic of the spouse of each such President.

(2) SPECIFICATIONS.—The coins issued under this subsection shall—

- (A) have the same diameter as the \$1 coins described in subsection (n);
- (B) weigh 0.5 ounce; and
- (C) contain 99.99 percent pure gold.

(3) DESIGN REQUIREMENTS.—

(A) COIN OBTVERSE.—The design on the obverse of each coin issued under this subsection shall contain—

(i) the name and likeness of a person who was a spouse of a President during the President's period of service;

(ii) an inscription of the years during which such person was the spouse of a President during the President's period of service; and

(iii) a number indicating the order of the period of service in which such President served.

(B) COIN REVERSE.—The design on the reverse of each coin issued under this subsection shall bear—

(i) images emblematic of the life and work of the First Spouse whose image is borne on the obverse; and

(ii) the inscription “United States of America”.

(C) DESIGNATED DENOMINATION.—Each coin issued under this subsection shall bear, on the reverse, an inscription of the nominal denomination of the coin which shall be “\$10”.

(D) DESIGN IN CASE OF NO FIRST SPOUSE.—In the case of any President who served without a spouse—

(i) the image on the obverse of the bullion coin corresponding to the \$1 coin relating to such President shall be an image emblematic of the concept of “Liberty”—

(I) as represented on a United States coin issued during the period of service of such President; or

(II) as represented, in the case of President Chester Alan Arthur, by a design incorporating the name and likeness of Alice Paul, a leading strategist in the suffrage movement, who was instrumental in gaining women the right to vote upon the adoption of the 19th amendment and thus the ability to participate in the election of future Presidents, and who was born on January 11, 1885, during the term of President Arthur; and

(ii) the reverse of such bullion coin shall be of a design representative of themes of such President, except that in the case of the bullion coin referred to in clause (i)(II) the reverse of such coin shall be representative of the suffrage movement.

(E) DESIGN AND COIN FOR EACH SPOUSE.—A separate coin shall be designed and issued under this section for each person who was the spouse of a President during any portion of a term of office of such President.

(F) INSCRIPTIONS.—Each bullion coin issued under this subsection shall bear the inscription of the year of minting or issuance of the coin and such other inscriptions as the Secretary may determine to be appropriate.

(4) SALE OF BULLION COINS.—Each bullion coin issued under this subsection shall be sold by the Secretary at a price that is equal to or greater than the sum of—

(A) the face value of the coins; and

(B) the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

¹ So in original. Probably should be “sections”.

(5) ISSUANCE OF COINS COMMEMORATING FIRST SPOUSES.—

(A) IN GENERAL.—The bullion coins issued under this subsection with respect to any spouse of a President shall be issued on the same schedule as the \$1 coin issued under subsection (n) with respect to each such President.

(B) MAXIMUM NUMBER OF BULLION COINS FOR EACH DESIGN.—The Secretary shall—

- (i) prescribe, on the basis of such factors as the Secretary determines to be appropriate, the maximum number of bullion coins that shall be issued with each of the designs selected under this subsection; and
- (ii) announce, before the issuance of the bullion coins of each such design, the maximum number of bullion coins of that design that will be issued.

(C) TERMINATION OF PROGRAM.—No bullion coin may be issued under this subsection after the termination, in accordance with subsection (n)(8), of the \$1 coin program established under subsection (n).

(6) QUALITY OF COINS.—The bullion coins minted under this Act shall be issued in both proof and uncirculated qualities.

(7) SOURCE OF GOLD BULLION.—

(A) IN GENERAL.—The Secretary shall acquire gold for the coins issued under this subsection by purchase of gold mined from natural deposits in the United States, or in a territory or possession of the United States, within 1 year after the month in which the ore from which it is derived was mined.

(B) PRICE OF GOLD.—The Secretary shall pay not more than the average world price for the gold mined under subparagraph (A).

(8) BRONZE MEDALS.—The Secretary may strike and sell bronze medals that bear the likeness of the bullion coins authorized under this subsection, at a price, size, and weight, and with such inscriptions, as the Secretary determines to be appropriate.

(9) LEGAL TENDER.—The coins minted under this title shall be legal tender, as provided in section 5103.

(10) TREATMENT AS NUMISMATIC ITEMS.—For purposes of section¹ 5134 and 5136, all coins minted under this subsection shall be considered to be numismatic items.

(p) REMOVAL OF BARRIERS TO CIRCULATION OF \$1 COIN.—

(1) ACCEPTANCE BY AGENCIES AND INSTRUMENTALITIES.—Beginning January 1, 2006, all agencies and instrumentalities of the United States, the United States Postal Service, all nonappropriated fund instrumentalities established under title 10, United States Code, all transit systems that receive operational subsidies or any disbursement of funds from the Federal Government, such as funds from the Federal Highway Trust Fund, including the Mass Transit Account, and all entities that operate any business, including vending machines, on any premises owned by the United States or under the control of any agency or instrumentality of the United States, includ-

ing the legislative and judicial branches of the Federal Government, shall take such action as may be appropriate to ensure that by the end of the 2-year period beginning on such date—

(A) any business operations conducted by any such agency, instrumentality, system, or entity that involve coins or currency will be fully capable of—

- (i) accepting \$1 coins in connection with such operations; and
- (ii) other than vending machines that do not receive currency denominations higher than \$1, dispensing \$1 coins in connection with such operations; and

(B) displays signs and notices denoting such capability on the premises where coins or currency are accepted or dispensed, including on each vending machine.

(2) PUBLICITY.—The Director of the United States Mint,² shall work closely with consumer groups, media outlets, and schools to ensure an adequate amount of news coverage, and other means of increasing public awareness, of the inauguration of the Presidential \$1 Coin Program established in subsection (n) to ensure that consumers know of the availability of the coin.

(3) COORDINATION.—The Board of Governors of the Federal Reserve System and the Secretary shall take steps to ensure that an adequate supply of \$1 coins is available for commerce and collectors at such places and in such quantities as are appropriate by—

(A) consulting, to accurately gauge demand for coins and to anticipate and eliminate obstacles to the easy and efficient distribution and circulation of \$1 coins as well as all other circulating coins, from time to time but no less frequently than annually, with a coin users group, which may include—

- (i) representatives of merchants who would benefit from the increased usage of \$1 coins;
- (ii) vending machine and other coin acceptor manufacturers;
- (iii) vending machine owners and operators;
- (iv) transit officials;
- (v) municipal parking officials;
- (vi) depository institutions;
- (vii) coin and currency handlers;
- (viii) armored-car operators;
- (ix) car wash operators; and
- (x) coin collectors and dealers;

(B) submitting an annual report to the Congress containing—

- (i) an assessment of the remaining obstacles to the efficient and timely circulation of coins, particularly \$1 coins;
- (ii) an assessment of the extent to which the goals of subparagraph (C) are being met; and
- (iii) such recommendations for legislative action the Board and the Secretary may determine to be appropriate;

(C) consulting with industry representatives to encourage operators of vending ma-

² So in original. The comma probably should not appear.

chines and other automated coin-accepting devices in the United States to accept coins issued under the Presidential \$1 Coin Program established under subsection (n) and any coins bearing any design in effect before the issuance of coins required under subsection (n) (including the so-called “Sacagawea-design” \$1 coins), and to include notices on the machines and devices of such acceptability;

(D) ensuring that—

(i) during an introductory period, all institutions that want unmixed supplies of each newly-issued design of \$1 coins minted under subsections (n) and (o) are able to obtain such unmixed supplies; and

(ii) circulating coins will be available for ordinary commerce in packaging of sizes and types appropriate for and useful to ordinary commerce, including rolled coins;

(E) working closely with any agency, instrumentality, system, or entity referred to in paragraph (1) to facilitate compliance with the requirements of such paragraph; and

(F) identifying, analyzing, and overcoming barriers to the robust circulation of \$1 coins minted under subsections (n) and (o), including the use of demand prediction, improved methods of distribution and circulation, and improved public education and awareness campaigns.

(4) BULLION DEALERS.—The Director of the United States Mint shall take all steps necessary to ensure that a maximum number of reputable, reliable, and responsible dealers are qualified to offer for sale all bullion coins struck and issued by the United States Mint.

(5) REVIEW OF CO-CIRCULATION.—At such time as the Secretary determines to be appropriate, and after consultation with the Board of Governors of the Federal Reserve System, the Secretary shall notify the Congress of its assessment of issues related to the co-circulation of any circulating \$1 coin bearing any design, other than the so-called “Sacagawea-design” \$1 coin, in effect before the issuance of coins required under subsection (n), including the effect of co-circulation on the acceptance and use of \$1 coins, and make recommendations to the Congress for improving the circulation of \$1 coins.

(q) GOLD BULLION COINS.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of the Presidential \$1 Coin Act of 2005, the Secretary shall commence striking and issuing for sale such number of \$50 gold bullion and proof coins as the Secretary may determine to be appropriate, in such quantities, as the Secretary, in the Secretary’s discretion, may prescribe.

(2) INITIAL DESIGN.—

(A) IN GENERAL.—Except as provided under subparagraph (B), the obverse and reverse of the gold bullion coins struck under this subsection during the first year of issuance shall bear the original designs by James Earle Fraser, which appear on the 5-cent coin commonly referred to as the “Buffalo nickel” or the “1913 Type 1”.

(B) VARIATIONS.—The coins referred to in subparagraph (A) shall—

(i) have inscriptions of the weight of the coin and the nominal denomination of the coin incused in that portion of the design on the reverse of the coin commonly known as the “grassy mound”; and

(ii) bear such other inscriptions as the Secretary determines to be appropriate.

(3) SUBSEQUENT DESIGNS.—After the 1-year period described to in paragraph (2), the Secretary may—

(A) after consulting with the Commission of Fine Arts, and subject to the review of the Citizens Coinage Advisory Committee, change the design on the obverse or reverse of gold bullion coins struck under this subsection; and

(B) change the maximum number of coins issued in any year.

(4) SOURCE OF GOLD BULLION.—

(A) IN GENERAL.—The Secretary shall acquire gold for the coins issued under this subsection by purchase of gold mined from natural deposits in the United States, or in a territory or possession of the United States, within 1 year after the month in which the ore from which it is derived was mined.

(B) PRICE OF GOLD.—The Secretary shall pay not more than the average world price for the gold mined under subparagraph (A).

(5) SALE OF COINS.—Each gold bullion coin issued under this subsection shall be sold for an amount the Secretary determines to be appropriate, but not less than the sum of—

(A) the market value of the bullion at the time of sale; and

(B) the cost of designing and issuing the coins, including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping.

(6) LEGAL TENDER.—The coins minted under this title shall be legal tender, as provided in section 5103.

(7) TREATMENT AS NUMISMATIC ITEMS.—For purposes of section¹ 5134 and 5136, all coins minted under this subsection shall be considered to be numismatic items.

(8) PROTECTIVE COVERING.—

(A) IN GENERAL.—Each bullion coin having a metallic content as described in subsection (a)(11) and a design specified in paragraph (2) shall be sold in an inexpensive covering that will protect the coin from damage due to ordinary handling or storage.

(B) DESIGN.—The protective covering required under subparagraph (A) shall be readily distinguishable from any coin packaging that may be used to protect proof coins minted and issued under this subsection.

(r) REDESIGN AND ISSUANCE OF CIRCULATING \$1 COINS HONORING NATIVE AMERICANS AND THE IMPORTANT CONTRIBUTIONS MADE BY INDIAN TRIBES AND INDIVIDUAL NATIVE AMERICANS IN UNITED STATES HISTORY.—

(1) REDESIGN BEGINNING IN 2008.—

(A) IN GENERAL.—Effective beginning January 1, 2008, notwithstanding subsection (d),

in addition to the coins to be issued pursuant to subsection (n), and in accordance with this subsection, the Secretary shall mint and issue \$1 coins that—

- (i) have as the designs on the obverse the so-called “Sacagawea design”; and
- (ii) have a design on the reverse selected in accordance with paragraph (2)(A), subject to paragraph (3)(A).

(B) DELAYED DATE.—If the date of the enactment of the Native American \$1 Coin Act is after August 25, 2007, subparagraph (A) shall be applied by substituting “2009” for “2008”.

(2) DESIGN REQUIREMENTS.—The \$1 coins issued in accordance with paragraph (1) shall meet the following design requirements:

(A) COIN REVERSE.—The design on the reverse shall bear—

- (i) images celebrating the important contributions made by Indian tribes and individual Native Americans to the development of the United States and the history of the United States;
- (ii) the inscription “\$1”; and
- (iii) the inscription “United States of America”.

(B) COIN OBTVERSE.—The design on the obverse shall—

- (i) be chosen by the Secretary, after consultation with the Commission of Fine Arts and review by the Citizens Coinage Advisory Committee; and
- (ii) contain the so-called “Sacagawea design” and the inscription “Liberty”.

(C) EDGE-INCUSED INSCRIPTIONS.—

(i) IN GENERAL.—The inscription of the year of minting and issuance of the coin and the inscription “E Pluribus Unum” shall be edge-incused into the coin.

(ii) PRESERVATION OF DISTINCTIVE EDGE.—The edge-incusing of the inscriptions under clause (i) on coins issued under this subsection shall be done in a manner that preserves the distinctive edge of the coin so that the denomination of the coin is readily discernible, including by individuals who are blind or visually impaired.

(D) REVERSE DESIGN SELECTION.—The designs selected for the reverse of the coins described under this subsection—

- (i) shall be chosen by the Secretary after consultation with the Committee on Indian Affairs of the Senate, the Congressional Native American Caucus of the House of Representatives, the Commission of Fine Arts, and the National Congress of American Indians;
- (ii) shall be reviewed by the Citizens Coinage Advisory Committee;
- (iii) may depict individuals and events such as—

- (I) the creation of Cherokee written language;
- (II) the Iroquois Confederacy;
- (III) Wampanoag Chief Massasoit;
- (IV) the “Pueblo Revolt”;
- (V) Olympian Jim Thorpe;
- (VI) Ely S. Parker, a general on the staff of General Ulysses S. Grant and

later head of the Bureau of Indian Affairs; and

(VII) code talkers who served the United States Armed Forces during World War I and World War II; and

(iv) in the case of a design depicting the contribution of an individual Native American to the development of the United States and the history of the United States, shall not depict the individual in a size such that the coin could be considered to be a “2-headed” coin.

(E) INSCRIPTION OF “IN GOD WE TRUST”.—The design on the obverse or the reverse shall bear the inscription “In God We Trust”.

(3) ISSUANCE OF COINS COMMEMORATING 1 NATIVE AMERICAN EVENT DURING EACH YEAR.—

(A) IN GENERAL.—Each design for the reverse of the \$1 coins issued during each year shall be emblematic of 1 important Native American or Native American contribution each year.

(B) ISSUANCE PERIOD.—Each \$1 coin minted with a design on the reverse in accordance with this subsection for any year shall be issued during the 1-year period beginning on January 1 of that year and shall be available throughout the entire 1-year period.

(C) ORDER OF ISSUANCE OF DESIGNS.—Each coin issued under this subsection commemorating Native Americans and their contributions—

(i) shall be issued, to the maximum extent practicable, in the chronological order in which the Native Americans lived or the events occurred, until the termination of the coin program described in subsection (n); and

(ii) thereafter shall be issued in any order determined to be appropriate by the Secretary, after consultation with the Committee on Indian Affairs of the Senate, the Congressional Native American Caucus of the House of Representatives, and the National Congress of American Indians.

(4) ISSUANCE OF NUMISMATIC COINS.—The Secretary may mint and issue such number of \$1 coins of each design selected under this subsection in uncirculated and proof qualities as the Secretary determines to be appropriate.

(5) QUANTITY.—The number of \$1 coins minted and issued in a year with the Sacagawea-design on the obverse shall be not less than 20 percent of the total number of \$1 coins minted and issued in such year.

(8) REDESIGN AND ISSUANCE OF CIRCULATING QUARTER DOLLAR HONORING THE DISTRICT OF COLUMBIA AND EACH OF THE TERRITORIES.—

(1) REDESIGN IN 2009.—

(A) IN GENERAL.—Notwithstanding the fourth sentence of subsection (d)(1) and subsection (d)(2) and subject to paragraph (6)(B), quarter dollar coins issued during 2009, shall have designs on the reverse side selected in accordance with this subsection which are emblematic of the District of Columbia and the territories.

(B) FLEXIBILITY WITH REGARD TO PLACEMENT OF INSCRIPTIONS.—Notwithstanding subsection (d)(1), the Secretary may select a design for quarter dollars issued during 2009 in which—

(i) the inscription described in the second sentence of subsection (d)(1) appears on the reverse side of any such quarter dollars; and

(ii) any inscription described in the third sentence of subsection (d)(1) or the designation of the value of the coin appears on the obverse side of any such quarter dollars.

(2) SINGLE DISTRICT OR TERRITORY DESIGN.—The design on the reverse side of each quarter dollar issued during 2009 shall be emblematic of one of the following: The District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(3) SELECTION OF DESIGN.—

(A) IN GENERAL.—Each of the 6 designs required under this subsection for quarter dollars shall be—

(i) selected by the Secretary after consultation with—

(I) the chief executive of the District of Columbia or the territory being honored, or such other officials or group as the chief executive officer of the District of Columbia or the territory may designate for such purpose; and

(II) the Commission of Fine Arts; and

(ii) reviewed by the Citizens Coinage Advisory Committee.

(B) SELECTION AND APPROVAL PROCESS.—Designs for quarter dollars may be submitted in accordance with the design selection and approval process developed by the Secretary in the sole discretion of the Secretary.

(C) PARTICIPATION.—The Secretary may include participation by District or territorial officials, artists from the District of Columbia or the territory, engravers of the United States Mint, and members of the general public.

(D) STANDARDS.—Because it is important that the Nation's coinage and currency bear dignified designs of which the citizens of the United States can be proud, the Secretary shall not select any frivolous or inappropriate design for any quarter dollar minted under this subsection.

(E) PROHIBITION ON CERTAIN REPRESENTATIONS.—No head and shoulders portrait or bust of any person, living or dead, and no portrait of a living person may be included in the design of any quarter dollar under this subsection.

(4) TREATMENT AS NUMISMATIC ITEMS.—For purposes of sections 5134 and 5136, all coins minted under this subsection shall be considered to be numismatic items.

(5) ISSUANCE.—

(A) QUALITY OF COINS.—The Secretary may mint and issue such number of quarter dol-

lars of each design selected under paragraph (3) in uncirculated and proof qualities as the Secretary determines to be appropriate.

(B) SILVER COINS.—Notwithstanding subsection (b), the Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (3) as the Secretary determines to be appropriate, with a content of 90 percent silver and 10 percent copper.

(C) TIMING AND ORDER OF ISSUANCE.—Coins minted under this subsection honoring the District of Columbia and each of the territories shall be issued in equal sequential intervals during 2009 in the following order: the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(6) OTHER PROVISIONS.—

(A) APPLICATION IN EVENT OF ADMISSION AS A STATE.—If the District of Columbia or any territory becomes a State before the end of the 10-year period referred to in subsection (l)(1), subsection (l)(7) shall apply, and this subsection shall not apply, with respect to such State.

(B) APPLICATION IN EVENT OF INDEPENDENCE.—If any territory becomes independent or otherwise ceases to be a territory or possession of the United States before quarter dollars bearing designs which are emblematic of such territory are minted pursuant to this subsection, this subsection shall cease to apply with respect to such territory.

(7) TERRITORY DEFINED.—For purposes of this subsection, the term "territory" means the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(t) REDESIGN AND ISSUANCE OF QUARTER DOLLARS EMBLEMATIC OF NATIONAL SITES IN EACH STATE, THE DISTRICT OF COLUMBIA, AND EACH TERRITORY.—

(1) REDESIGN BEGINNING UPON COMPLETION OF PRIOR PROGRAM.—

(A) IN GENERAL.—Notwithstanding the fourth sentence of subsection (d)(1) and subsection (d)(2), quarter dollars issued beginning in 2010 shall have designs on the reverse selected in accordance with this subsection which are emblematic of the national sites in the States, the District of Columbia and the territories of the United States.

(B) FLEXIBILITY WITH REGARD TO PLACEMENT OF INSCRIPTIONS.—Notwithstanding subsection (d)(1), the Secretary may select a design for quarter dollars referred to in subparagraph (A) in which—

(i) the inscription described in the second sentence of subsection (d)(1) appears on the reverse side of any such quarter dollars; and

(ii) any inscription described in the third sentence of subsection (d)(1) or the designation of the value of the coin appears on the obverse side of any such quarter dollars.

(C) INCLUSION OF DISTRICT OF COLUMBIA, AND TERRITORIES.—For purposes of this subsection, the term “State” has the same meaning as in section 3(a)(3) of the Federal Deposit Insurance Act.

(2) SINGLE SITE IN EACH STATE.—The design on the reverse side of each quarter dollar issued during the period of issuance under this subsection shall be emblematic of 1 national site in each State.

(3) SELECTION OF SITE AND DESIGN.—

(A) SITE.—

(i) IN GENERAL.—The selection of a national park or other national site in each State to be honored with a coin under this subsection shall be made by the Secretary of the Treasury, after consultation with the Secretary of the Interior and the governor or other chief executive of each State with respect to which a coin is to be issued under this subsection, and after giving full and thoughtful consideration to national sites that are not under the jurisdiction of the Secretary of the Interior so that the national site chosen for each State shall be the most appropriate in terms of natural or historic significance.

(ii) TIMING.—The selection process under clause (i) shall be completed before the end of the 270-day period beginning on the date of the enactment of the America’s Beautiful National Parks Quarter Dollar Coin Act of 2008.

(B) DESIGN.—Each of the designs required under this subsection for quarter dollars shall be—

(i) selected by the Secretary after consultation with—

- (I) the Secretary of the Interior; and
- (II) the Commission of Fine Arts; and

(ii) reviewed by the Citizens Coinage Advisory Committee.

(C) SELECTION AND APPROVAL PROCESS.—Recommendations for site selections and designs for quarter dollars may be submitted in accordance with the site and design selection and approval process developed by the Secretary in the sole discretion of the Secretary.

(D) PARTICIPATION IN DESIGN.—The Secretary may include participation by officials of the State, artists from the State, engravers of the United States Mint, and members of the general public.

(E) STANDARDS.—Because it is important that the Nation’s coinage and currency bear dignified designs of which the citizens of the United States can be proud, the Secretary shall not select any frivolous or inappropriate design for any quarter dollar minted under this subsection.

(F) PROHIBITION ON CERTAIN REPRESENTATIONS.—No head and shoulders portrait or bust of any person, living or dead, no portrait of a living person, and no outline or map of a State may be included in the design on the reverse of any quarter dollar under this subsection.

(4) ISSUANCE OF COINS.—

(A) ORDER OF ISSUANCE.—The quarter dollar coins issued under this subsection bearing designs of national sites shall be issued in the order in which the sites selected under paragraph (3) were first established as a national site.

(B) RATE OF ISSUANCE.—The quarter dollar coins bearing designs of national sites under this subsection shall be issued at the rate of 5 new designs during each year of the period of issuance under this subsection.

(C) NUMBER OF EACH OF 5 COIN DESIGNS IN EACH YEAR.—Of the quarter dollar coins issued during each year of the period of issuance, the Secretary of the Treasury shall prescribe, on the basis of such factors as the Secretary determines to be appropriate, the number of quarter dollars which shall be issued with each of the designs selected for such year.

(5) TREATMENT AS NUMISMATIC ITEMS.—For purposes of sections 5134 and 5136, all coins minted under this subsection shall be considered to be numismatic items.

(6) ISSUANCE.—

(A) QUALITY OF COINS.—The Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (3) in uncirculated and proof qualities as the Secretary determines to be appropriate.

(B) SILVER COINS.—Notwithstanding subsection (b), the Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (3) as the Secretary determines to be appropriate, with a content of 90 percent silver and 10 percent copper.

(7) PERIOD OF ISSUANCE.—

(A) IN GENERAL.—Subject to paragraph (2), the program established under this subsection shall continue in effect until a national site in each State has been honored.

(B) SECOND ROUND AT DISCRETION OF SECRETARY.—

(i) DETERMINATION.—The Secretary may make a determination before the end of the 9-year period beginning when the first quarter dollar is issued under this subsection to continue the period of issuance until a second national site in each State, the District of Columbia, and each territory referred to in this subsection has been honored with a design on a quarter dollar.

(ii) NOTICE AND REPORT.—Within 30 days after making a determination under clause (i), the Secretary shall submit a written report on such determination to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(iii) APPLICABILITY OF PROVISIONS.—If the Secretary makes a determination under clause (i), the provisions of this subsection applicable to site and design selection and approval, the order, timing, and conditions of issuance shall apply in like manner as the initial issuance of quarter dollars under this subsection, except that the issuance of quarter dollars pursuant to such

determination bearing the first design shall commence in order immediately following the last issuance of quarter dollars under the first round.

(iv) CONTINUATION UNTIL ALL STATES ARE HONORED.—If the Secretary makes a determination under clause (i), the program under this subsection shall continue until a second site in each State has been so honored.

(8) DESIGNS AFTER END OF PROGRAM.—Upon the completion of the coin program under this subsection, the design on—

(A) the obverse of the quarter dollar shall revert to the same design containing an image of President Washington in effect for the quarter dollar before the institution of the 50-State quarter dollar program; and

(B) notwithstanding the fourth sentence of subsection (d)(1), the reverse of the quarter dollar shall contain an image of General Washington crossing the Delaware River prior to the Battle of Trenton.

(9) NATIONAL SITE.—For purposes of this subsection, the term “national site” means any site under the supervision, management, or conservancy of the National Park Service, the United States Forest Service, the United States Fish and Wildlife Service, or any similar department or agency of the Federal Government, including any national park, national monument, national battlefield, national military park, national historical park, national historic site, national lakeshore, seashore, recreation area, parkway, scenic river, or trail and any site in the National Wildlife Refuge System.

(10) APPLICATION IN EVENT OF INDEPENDENCE.—If any territory becomes independent or otherwise ceases to be a territory or possession of the United States before quarter dollars bearing designs which are emblematic of such territory are minted pursuant to this subsection, this subsection shall cease to apply with respect to such territory.

(u) SILVER BULLION INVESTMENT PRODUCT.—

(1) IN GENERAL.—The Secretary shall strike and make available for sale such number of bullion coins as the Secretary determines to be appropriate that are likenesses of the quarter dollars issued under subsection (t), each of which shall—

(A) have a diameter determined by the Secretary that is no less than 2.5 inches and no greater than 3.0 inches and weigh 5.0 ounces;

(B) contain .999 fine silver;

(C) bear an inscription of the denomination of such coin, which shall be “quarter dollar”; and

(D) not be minted or issued by the United States Mint as so-called “fractional” bullion coins or in any size other than the size described in paragraph (A).

(2) AVAILABILITY FOR SALE.—Bullion coins minted under paragraph (1)—

(A) shall become available for sale no sooner than the first day of the calendar year in which the circulating quarter dollar

of which such bullion coin is a duplicate is issued; and

(B) may only be available for sale during the year in which such circulating quarter dollar is issued.

(3) DISTRIBUTION.—

(A) IN GENERAL.—In addition to the authorized dealers utilized by the Secretary in distributing bullion coins and solely for purposes of distributing bullion coins issued under this subsection, the Director of the National Park Service, or the designee of the Director, may purchase numismatic items issued under this subsection, but only in units of no fewer than 1,000 at a time, and the Director, or the Director’s designee, may resell or repackaging such numismatic items as the Director determines to be appropriate.

(B) RESALE.—The Director of the National Park Service, or the designee of the Director, may resell, at cost and without repackaging, numismatic items acquired by the Director or such designee under subparagraph (A) to any party affiliated with any national site honored by a quarter dollar under subsection (t) for repackaging and resale by such party in the same manner and to the same extent as such party would be authorized to engage in such activities under subparagraph (A) if the party were acting as the designee of the Director under such subparagraph.

(v) PALLADIUM BULLION INVESTMENT COINS.—

(1) IN GENERAL.—Subject to the submission to the Secretary and the Congress of a marketing study described in paragraph (8), beginning not more than 1 year after the submission of the study to the Secretary and the Congress, the Secretary shall mint and issue the palladium coins described in paragraph (12) of subsection (a) in such quantities as the Secretary may determine to be appropriate to meet demand.

(2) SOURCE OF BULLION.—

(A) IN GENERAL.—The Secretary shall acquire bullion for the palladium coins issued under this subsection by purchase of palladium mined from natural deposits in the United States, or in a territory or possession of the United States, within 1 year after the month in which the ore from which it is derived was mined. If no such palladium is available or if it is not economically feasible to obtain such palladium, the Secretary may obtain palladium for the palladium coins described in paragraph (12) of subsection (a) from other available sources.

(B) PRICE OF BULLION.—The Secretary shall pay not more than the average world price for the palladium under subparagraph (A).

(3) SALE OF COINS.—Each coin issued under this subsection shall be sold for an amount the Secretary determines to be appropriate, but not less than the sum of—

(A) the market value of the bullion at the time of sale; and

(B) the cost of designing and issuing the coins, including labor, materials, dies, use of machinery, overhead expenses, marketing, distribution, and shipping.

(4) TREATMENT.—For purposes of section 5134 and 5136, all coins minted under this subsection shall be considered to be numismatic items.

(5) QUALITY.—The Secretary may issue the coins described in paragraph (1) in both proof and uncirculated versions, except that, should the Secretary determine that it is appropriate to issue proof or uncirculated versions of such coin, the Secretary shall, to the greatest extent possible, ensure that the surface treatment of each year's proof or uncirculated version differs in some material way from that of the preceding year.

(6) DESIGN.—Coins minted and issued under this subsection shall bear designs on the obverse and reverse that are close likenesses of the work of famed American coin designer and medallist artist Adolph Alexander Weinman—

(A) the obverse shall bear a high-relief likeness of the “Winged Liberty” design used on the obverse of the so-called “Mercury dime”;

(B) the reverse shall bear a high-relief version of the reverse design of the 1907 American Institute of Architects medal; and

(C) the coin shall bear such other inscriptions, including “Liberty”, “In God We Trust”, “United States of America”, the denomination and weight of the coin and the fineness of the metal, as the Secretary determines to be appropriate and in keeping with the original design.

(7) MINT FACILITY.—Any United States mint, other than the United States Mint at West Point, New York, may be used to strike coins minted under this subsection other than any proof version of any such coin. If the Secretary determines that it is appropriate to issue any proof version of such coin, coins of such version shall be struck only at the United States Mint at West Point, New York.

(8) MARKETING STUDY DEFINED.—The market study described in paragraph (1) means an analysis of the market for palladium bullion investments conducted by a reputable, independent third party that demonstrates that there would be adequate demand for palladium bullion coins produced by the United States Mint to ensure that such coins could be minted and issued at no net cost to taxpayers.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 981; Pub. L. 97–452, §1(20), Jan. 12, 1983, 96 Stat. 2477; Pub. L. 99–61, title II, §202, July 9, 1985, 99 Stat. 115; Pub. L. 99–185, §2(a), (b), Dec. 17, 1985, 99 Stat. 1177; Pub. L. 100–274, §§4(a), 6, Mar. 31, 1988, 102 Stat. 50; Pub. L. 102–390, title II, §§226(a), 227, 228, Oct. 6, 1992, 106 Stat. 1630; Pub. L. 103–272, §4(f)(1)(R), July 5, 1994, 108 Stat. 1362; Pub. L. 104–208, div. A, title I, §101(f) [title V, §§523, 524, 529(a)], Sept. 30, 1996, 110 Stat. 3009–314, 3009–347 to 3009–349; Pub. L. 105–124, §§3, 4(b)–(d), Dec. 1, 1997, 111 Stat. 2534, 2536; Pub. L. 105–176, May 29, 1998, 112 Stat. 104; Pub. L. 106–445, §2(b), Nov. 6, 2000, 114 Stat. 1931; Pub. L. 108–15, title I, §§102, 103(d)(1), Apr. 23, 2003, 117 Stat. 615, 619; Pub. L. 109–145, title I, §§102–104, title II, §201, Dec. 22, 2005, 119 Stat. 2665–2669, 2672; Pub. L. 110–82, §§2, 3, Sept. 20, 2007, 121 Stat. 777, 779; Pub. L. 110–147, Dec. 21, 2007, 121 Stat. 1817; Pub. L. 110–161, div.

D, title VI, §§622–623(b), Dec. 26, 2007, 121 Stat. 2016, 2018; Pub. L. 110–456, title I, §102, title II, §201, Dec. 23, 2008, 122 Stat. 5039, 5042; Pub. L. 111–8, div. D, title VI, §616, Mar. 11, 2009, 123 Stat. 677; Pub. L. 111–302, §§4, 5, Dec. 14, 2010, 124 Stat. 3273; Pub. L. 111–303, §2, Dec. 14, 2010, 124 Stat. 3275.)

HISTORICAL AND REVISION NOTES
1982 ACT

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5112(a)	31:317(a)(1st, last sentences).	R.S. §3515(a); Sept. 26, 1890, ch. 945, §1, 26 Stat. 485; Sept. 5, 1962, Pub. L. 87–643, §1, 76 Stat. 440; Oct. 11, 1974, Pub. L. 93–441, §1, 88 Stat. 1261.
	31:391(c).	July 23, 1965, Pub. L. 89–81, §101(c), 79 Stat. 255; restated Dec. 31, 1970, Pub. L. 91–607, §201, 84 Stat. 1768; Oct. 10, 1978, Pub. L. 95–447, §2, 92 Stat. 1072.
5112(b)	31:317(a)(2d, 3d sentences).	R.S. §3533; June 14, 1947, ch. 104, §1, 61 Stat. 132.
	31:346.	July 23, 1965, Pub. L. 89–81, §101(b), (d), 79 Stat. 254; restated Dec. 31, 1970, Pub. L. 91–607, §201, 84 Stat. 1768.
	31:391(b).	July 23, 1965, Pub. L. 89–81, §108(1)–(4), (6), 79 Stat. 255.
	31:398(1)–(4), (6).	R.S. §3515(b); added Oct. 11, 1974, Pub. L. 93–441, §1, 88 Stat. 1261.
5112(c)	31:317(b).	R.S. §3517; Mar. 3, 1887, ch. 396, §3, 24 Stat. 635; Sept. 26, 1890, ch. 945, §1, 26 Stat. 485; May 18, 1908, ch. 173, 35 Stat. 164; restated July 23, 1965, Pub. L. 89–81, §204(a), 79 Stat. 256; Dec. 31, 1970, Pub. L. 91–607, §206, 84 Stat. 1769.
5112(d)(1)	31:324.	Oct. 10, 1978, Pub. L. 95–447, §3, 92 Stat. 1072.
	31:324b–1.	R.S. §3510; restated Sept. 26, 1890, ch. 944, 26 Stat. 484.
5112(d)(2)	31:276.	Dec. 31, 1970, Pub. L. 91–607, §203, 84 Stat. 1769; Oct. 10, 1978, Pub. L. 95–447, §4, 92 Stat. 1072.
5112(e)	31:324b.	Dec. 31, 1970, Pub. L. 91–607, §209, 84 Stat. 1769.
	31:324c.	
	31:391(d).	
	31:398(3), (4).	
5112(f)	31:321.	R.S. §3514; Jan. 30, 1934, ch. 6, §5, 48 Stat. 340.
	31:399.	July 23, 1965, Pub. L. 89–81, 79 Stat. 254, §109; added Dec. 23, 1981, Pub. L. 97–104, §2, 95 Stat. 1491.

In subsection (a), the words before clause (1) are added because of the restatement. In clause (5), the words “that is 0.835 inch in diameter” are added because the Secretary of the Treasury has prescribed the diameter and the diameter of a coin may not be changed under 31:276. The words “5 grams” are substituted for “seventy-seven and sixteen-hundredths grains troy” for consistency in the revised chapter. In clause (6), the words “that is 0.75 inch in diameter” are added because the Secretary has prescribed the diameter and the diameter of a coin may not be changed under 31:276. The words “except as provided under subsection (c) of this section” are added for clarity and because of the restatement. The words “3.11 grams” are substituted for “forty-eight grains” for consistency in the revised chapter.

In subsection (b), the words “In minting 5-cent coins” are substituted for “in minor-coinage alloys” in 31:346 because 5-cent coins are the minor coins composed of nickel. The words “Secretary shall use” are substituted for “shall be used” because of the source provisions restated in section 321 of the revised title. The word “bars” is substituted for “ingots” for consistency in the revised chapter. The words “2.5 percent” are substituted for “twenty-five thousandths” for consistency in the revised title and with other titles of the United States Code. The words “from the percent of nickel re-

quired” are substituted for “the legal standard . . . in the proportion of nickel” because of the restatement. The words “In silver ingots, six-thousandths” are omitted as superseded by the source provisions restated in the section. The words “In gold ingots, one-thousandth” in section 3533 of the Revised Statutes are omitted because gold coinage was discontinued by 31:315b. The words “Except as provided in subsection (c) of this section” are added for clarity and because of the restatement.

In subsection (c), the words “a different weight and alloy of copper and zinc” are substituted for “such action” for clarity.

In subsection (d)(1), the words “an impression emblematic of liberty” in 31:324 are omitted as obsolete. The words “The design on the reverse side of the dollar, half dollar, and quarter dollar is an eagle” are substituted for “and upon the reverse side shall be the figure or representation of an eagle . . . but on the dime, 5-, and 1-cent piece, the figure of the eagle shall be omitted”, and the words “The emblem on the obverse side of the dollar is” are substituted for “The one-dollar coin authorized by section 391(c) of this title shall bear on the obverse side” in 31:324b-1, to eliminate unnecessary words. The words “Any coins minted after July 23, 1965, from 900 fine coin silver shall be inscribed with the year 1964” in 31:324 are omitted because the Secretary no longer has authority to mint coins from 900 fine coin silver.

In subsection (d)(2), the word “Secretary” is substituted for “engraver”, “Director of the Mint”, and “Director of the Mint . . . with the approval of the Secretary of the Treasury” because of the source provisions restated in section 321(c) of the revised title. The word “dies” is substituted for “from the original dies already authorized all the working dies required for use in the coinage of the several mints” and “original dies” to eliminate unnecessary words. The word “inscription” is substituted for “legend” for consistency in the section. The words “*Provided*, That no change be made in the diameter of any coin” are omitted as unnecessary because the diameters are prescribed by subsection (a) of the revised section. The words “procure services under section 3109 of title 5 in carrying out this paragraph” are substituted for “engage temporarily for this purpose the services of one or more artists, distinguished in their respective departments of art” to eliminate unnecessary words. The words “who shall be paid for such service from the contingent appropriation for the mint at Philadelphia” are omitted as obsolete. The text of section 3510(2d) proviso) of the Revised Statutes is omitted as executed.

In subsection (e)(2), the words “80 percent” are substituted for “eight hundred parts” in 31:391(d), and the words “20 percent” are substituted for “two hundred parts”, for consistency in the revised title and with other titles of the Code. The words “that are metallurgically bonded to” are added for clarity and consistency with subsection (b). In clause (4), the words “the late President of the United States” in 31:324b are omitted as unnecessary. Clause (6) is added because 31:324 applies to coins minted under this subsection.

In subsection (f)(1), before clause (A), the words “Notwithstanding this section and section 5111(a)(1) of this title are substituted for “Notwithstanding any other provision of law” in 31:399 for clarity. In clause (B), the words “are an alloy of 90 percent silver and 10 percent copper” are substituted for “be minted in accordance with the standard established in section 3514 of the Revised Statutes (31 U.S.C. 321)” and 31:321 to eliminate unnecessary words and for clarity. In clause (C), the word “symbolizing” is substituted for “emblematic” for clarity.

In subsection (f)(2), the words “under such regulations as he may prescribe” are omitted as unnecessary because of section 321 of the revised title. The word “Treasury” is substituted for “general fund of the Treasury” to eliminate unnecessary words.

The text of 31:399(b)(3) is omitted as unnecessary because of section 5103 of the revised title.

1983 ACT

This amends 31:5112(f)(1) to make technical and conforming changes.

REFERENCES IN TEXT

The date of enactment of the United States \$1 Coin Act of 1997, referred to in subsec. (b), is the date of enactment of Pub. L. 105-124, which was approved Dec. 1, 1997.

The Strategic and Critical Materials Stock Piling Act, referred to in subsec. (l)(6)(C), is act June 7, 1939, ch. 190, as revised generally by Pub. L. 96-41, §2, July 30, 1979, 93 Stat. 319, which is classified generally to subchapter III (§98 et seq.) of chapter 5 of Title 50, War and National Defense. For complete classification of this Act to the Code, see section 98 of Title 50 and Tables.

This Act, referred to in subsec. (o)(6), probably means Pub. L. 109-145, Dec. 22, 2005, 119 Stat. 2664, known as the Presidential \$1 Coin Act of 2005, which amended this section and enacted provisions set out as notes under this section. For complete classification of this Act to the Code, see Short Title of 2005 Amendment note set out under section 5101 of this title and Tables.

The date of enactment of the Presidential \$1 Coin Act of 2005, referred to in subsec. (q)(1), is the date of enactment of Pub. L. 109-145, which was approved Dec. 22, 2005.

The date of the enactment of the Native American \$1 Coin Act, referred to in subsec. (r)(1)(B), is the date of enactment of Pub. L. 110-82, which was approved Sept. 20, 2007.

Section 3 of the Federal Deposit Insurance Act, referred to in subsec. (t)(1)(C), is classified to section 1813 of Title 12, Banks and Banking.

The date of the enactment of the America’s Beautiful National Parks Quarter Dollar Coin Act of 2008, referred to in subsec. (t)(3)(A)(ii), is the date of enactment of Pub. L. 110-456, which was approved Dec. 23, 2008.

AMENDMENTS

2010—Subsec. (a)(12). Pub. L. 111-303, §2(1), added par. (12).

Subsec. (e). Pub. L. 111-302, §4, substituted “qualities and quantities that the Secretary determines are” for “quantities” in introductory provisions.

Subsec. (i). Pub. L. 111-302, §4, which directed amendment of subsec. (i) by substituting “qualities and quantities that the Secretary determines are” for “quantities”, was executed by making the substitution in introductory provisions of par. (1) to reflect the probable intent of Congress.

Subsec. (u)(1). Pub. L. 111-302, §5(1), substituted “likenesses” for “exact duplicates” in introductory provisions.

Subsec. (u)(1)(A). Pub. L. 111-302, §5(4), substituted “determined by the Secretary that is no less than 2.5 inches and no greater than 3.0 inches” for “of 3.0 inches”.

Subsec. (u)(1)(C) to (E). Pub. L. 111-302, §5(2), (3), redesignated subpars. (D) and (E) as (C) and (D), respectively, and struck out former subpar. (C) which read as follows: “have incused into the edge the fineness and weight of the bullion coin;”.

Subsec. (v). Pub. L. 111-303, §2(2), added subsec. (v).

2009—Subsecs. (r), (s). Pub. L. 111-8 redesignated subsec. (r) relating to the redesign and issuance of circulating quarter dollar honoring the District of Columbia and territories as (s) and substituted “paragraph (3)” for “paragraph (4)” in subpars. (A) and (B) of par. (5).

2008—Subsec. (t). Pub. L. 110-456, §102, added subsec. (t).

Subsec. (u). Pub. L. 110-456, §201, added subsec. (u).

2007—Subsec. (n)(1). Pub. L. 110-82, §3, redesignated cls. (i) and (ii) of subpar. (A) as subpars. (A) and (B), respectively, struck out heading and designation of former subpar. (A), and struck out former subpar. (B),

which related to continuity provisions concerning the “‘Sacagawea-design’ \$1 coins”.

Subsec. (n)(2)(C)(i). Pub. L. 110–161, § 623(a)(1)(A), substituted “and the inscription” for “and the inscriptions” and struck out “and ‘In God We Trust’” before “shall be edge-incused”.

Subsec. (n)(2)(F). Pub. L. 110–161, § 623(a)(2), added subpar. (F).

Subsec. (p)(1)(A). Pub. L. 110–147 amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “any business operations conducted by any such agency, instrumentality, system, or entity that involve coins or currency will be fully capable of accepting and dispensing \$1 coins in connection with such operations; and”.

Subsec. (r). Pub. L. 110–161, § 622, added subsec. (r) relating to the redesign and issuance of circulating quarter dollar honoring the District of Columbia and territories.

Pub. L. 110–82, § 2, added subsec. (r) relating to the redesign and issuance of circulating \$1 coins honoring Native Americans.

Subsec. (r)(2). Pub. L. 110–161, § 623(b), substituted “and the inscription” for “and the inscriptions” and struck out “and ‘In God We Trust’” before “shall be edge-incused” in subpar. (C)(i), and added subpar. (E).

2005—Subsec. (a)(11). Pub. L. 109–145, § 201(1), added par. (11).

Subsec. (n). Pub. L. 109–145, § 102, added subsec. (n).

Subsec. (o). Pub. L. 109–145, § 103, added subsec. (o).

Subsec. (p). Pub. L. 109–145, § 104, added subsec. (p).

Subsec. (q). Pub. L. 109–145, § 201(2), added subsec. (q).

2003—Subsec. (d)(1). Pub. L. 108–15, § 102(a), inserted after fourth sentence “Subject to other provisions of this subsection, the obverse of any 5-cent coin issued after December 31, 2005, shall bear the likeness of Thomas Jefferson and the reverse of any such 5-cent coin shall bear an image of the home of Thomas Jefferson at Monticello.”

Subsec. (d)(2). Pub. L. 108–15, § 102(b), inserted “, after consulting with the Citizens Coinage Advisory Committee and the Commission of Fine Arts,” after “The Secretary may” in second sentence.

Subsec. (d)(4)(A)(ii). Pub. L. 108–15, § 103(d)(1), substituted “Citizens Coinage Advisory Committee” for “Citizens Commemorative Coin Advisory Committee”.

2000—Subsec. (k). Pub. L. 106–445 substituted “platinum bullion coins” for “bullion”.

1998—Subsec. (l)(1)(C). Pub. L. 105–176 added subpar. (C).

1997—Subsec. (a)(1). Pub. L. 105–124, § 4(b), struck out “and weighs 8.1 grams” after “diameter”.

Subsec. (b). Pub. L. 105–124, § 4(c), struck out “dollar,” before “half dollar” in first sentence and inserted after fourth sentence “The dollar coin shall be golden in color, have a distinctive edge, have tactile and visual features that make the denomination of the coin readily discernible, be minted and fabricated in the United States, and have similar metallic, anti-counterfeiting properties as United States coinage in circulation on the date of enactment of the United States \$1 Coin Act of 1997.”

Subsec. (d)(1). Pub. L. 105–124, § 4(d), substituted “The Secretary of the Treasury, in consultation with the Congress, shall select appropriate designs for the obverse and reverse sides of the dollar coin.” for “The eagle on the reverse side of the dollar is the symbolic eagle of Apollo 11 landing on the moon. The obverse side of the dollar has the likeness of Susan B. Anthony.”

Subsec. (l). Pub. L. 105–124, § 3, added subsec. (l).

1996—Subsec. (i)(4)(C). Pub. L. 104–208, § 101(f) [title V, § 523], added subpar. (C).

Subsec. (k). Pub. L. 104–208, § 101(f) [title V, § 524], added subsec. (k).

Subsec. (m). Pub. L. 104–208, § 101(f) [title V, § 529(a)], added subsec. (m).

1994—Subsec. (h). Pub. L. 103–272 substituted “section 5103 of this title” for “section 5103 of title 31, United States Code”.

1992—Subsec. (d)(1). Pub. L. 102–390, § 226(a), inserted “shall” before “have” in first sentence and substituted “coin shall have” for “coin has” in second and third sentences.

Subsec. (i)(4). Pub. L. 102–390, § 228, added par. (4).

Subsec. (j). Pub. L. 102–390, § 227, added subsec. (j).

1988—Subsec. (b). Pub. L. 100–274, § 4(a), inserted before last sentence “In minting gold coins, the Secretary shall use alloys that vary not more than 0.1 percent from the percent of gold required.”

Subsec. (f). Pub. L. 100–274, § 6, inserted heading and amended subsec. (f) generally. Prior to amendment, subsec. (f) read as follows: “The Secretary shall sell the coins minted under subsection (e) to the public at a price equal to the market value of the bullion at the time of sale, plus the cost of minting, marketing, and distributing such coins (including labor, materials, dyes, use of machinery, and overhead expenses).”

1985—Subsec. (a)(7) to (10). Pub. L. 99–185, § 2(a), added pars. (7) to (10).

Subsec. (e). Pub. L. 99–61 added subsec. (e). Former subsec. (e), providing for the minting of 150,000,000 silver and copper alloy dollar coins bearing the likeness of Dwight David Eisenhower, was struck out.

Subsec. (f). Pub. L. 99–61 added subsec. (f). Former subsec. (f), providing for the minting of up to 10,000,000 silver and copper alloy half-dollar coins symbolizing the 250th anniversary of the birth of George Washington, was struck out.

Subsecs. (g), (h). Pub. L. 99–61 added subsecs. (g) and (h).

Subsec. (i). Pub. L. 99–185, § 2(b), added subsec. (i).

1983—Subsec. (f)(1). Pub. L. 97–452, § 1(20)(A), inserted a comma after “10,000,000” in introductory text.

Subsec. (f)(1)(C). Pub. L. 97–452, § 1(20)(B), substituted “250th” for “two hundred and fiftieth”.

EFFECTIVE DATE OF 2007 AMENDMENT

Pub. L. 110–161, div. D, title VI, § 623(c), Dec. 26, 2007, 121 Stat. 2018, provided that: “The change required by the amendments made by subsections (a) and (b) [amending this section] shall be put into effect by the Secretary of the Treasury as soon as is practicable after the date of enactment of this Act [Dec. 26, 2007].”

EFFECTIVE DATE OF 1996 AMENDMENT

Section 101(f) [title V, § 529(e)] of Pub. L. 104–208, provided that: “This section [amending this section and sections 5134 and 5135 of this title, enacting provisions set out as a note under section 5134 of this title, and amending provisions set out as a note under this section] and the amendments made by this section shall take effect on the date of enactment of this Act [Sept. 30, 1996].”

EFFECTIVE DATE OF 1985 AMENDMENTS

Section 3 of Pub. L. 99–185 provided that: “This Act [amending this section and sections 5116, 5118, and 5132 of this title and enacting provisions set out as notes under this section] shall take effect on October 1, 1985, except that no coins may be issued or sold under section 5112(i) of title 31, United States Code, before October 1, 1986.”

Section 205 of title II of Pub. L. 99–61 provided that: “This title [amending this section and sections 5116 and 5132 of this title and enacting provisions set out as a note under this section] shall take effect on October 1, 1985, except that no coins may be issued or sold under subsection (e) of section 5112 of title 31, United States Code, before September 1, 1986, or before the date on which all coins minted under title I of this Act [set out as a note below] have been sold, whichever is earlier.”

SHORT TITLE OF 1985 AMENDMENTS

Section 1 of Pub. L. 99–185 provided that: “This Act [amending this section and sections 5116, 5118, and 5132 of this title and enacting provisions set out as notes under this section] may be cited as the ‘Gold Bullion Coin Act of 1985’.”

Section 201 of title II of Pub. L. 99-61 provided that: “This title [amending this section and sections 5116 and 5132 of this title and enacting provisions set out as a note under this section] may be cited as the ‘Liberty Coin Act.’”

SAVINGS PROVISION

Pub. L. 110-192, Feb. 29, 2008, 122 Stat. 648, provided: “That clause (i) of section 5112(n)(1)(B) of title 31, United States Code (as in effect on the day before the date of the enactment of Public Law 110-82 [Sept. 20, 2007]) shall continue in effect, notwithstanding the amendment made by section 3 of Public Law 110-82 [amending this section], until the effective date of the amendment made by section 2 of such Public Law [amending this section].”

RULE OF CONSTRUCTION

Pub. L. 105-124, § 5, Dec. 1, 1997, 111 Stat. 2537, provided that: “Nothing in this Act [see Short Title of 1997 Amendment note set out under section 5101 of this title] or the amendments made by this Act shall be construed to evidence any intention to eliminate or to limit the printing or circulation of United States currency in the \$1 denomination.”

AUTHORITY TO CONDUCT RESEARCH AND DEVELOPMENT ON ALL CIRCULATING COINS

Pub. L. 111-302, § 2, Dec. 14, 2010, 124 Stat. 3272, provided that:

“(a) IN GENERAL.—To accomplish the goals of this Act [amending this section and enacting provisions set out as notes under this section and section 5101 of this title] and the requirements of subchapter II of chapter 51 of title 31, United States Code, the Secretary of the Treasury may—

“(1) conduct any appropriate testing of appropriate coinage metallic materials within or outside of the Department of the Treasury; and

“(2) solicit input from or otherwise work in conjunction with entities within or outside of the Federal Government including independent research facilities or current or potential suppliers of the metallic material used in volume production of circulating coins,

to complete the report referred to in this Act [see section 3 of Pub. L. 111-302, set out as a note below] and to develop and evaluate the use of new metallic materials.

“(b) FACTORS TO BE CONSIDERED.—In the conduct of research, development, and the solicitation of input or work in conjunction with entities within and outside the Federal Government, and in reporting to the Congress with recommendations, as required by this Act, the Secretary of the Treasury shall consider the following:

“(1) Factors relevant to the potential impact of any revisions to the composition of the material used in coin production on the current coinage material suppliers.

“(2) Factors relevant to the ease of use and ability to co-circulate of new coinage materials, including the effect on vending machines and commercial coin processing equipment and making certain, to the greatest extent practicable, that any new coins work without interruption in existing coin acceptance equipment without modification.

“(3) Such other factors that the Secretary of the Treasury, in consultation with merchants who would be affected by any change in the composition of circulating coins, vending machine and other coin acceptor manufacturers, vending machine owners and operators, transit officials, municipal parking officials, depository institutions, coin and currency handlers, armored-car operators, car wash operators, and American-owned manufacturers of commercial coin processing equipment, considers to be appropriate

and in the public interest, after notice and opportunity for comment.”

BIENNIAL REPORT TO THE CONGRESS ON THE CURRENT STATUS OF COIN PRODUCTION COSTS AND ANALYSIS OF ALTERNATIVE CONTENT

Pub. L. 111-302, § 3, Dec. 14, 2010, 124 Stat. 3273, provided that:

“(a) REPORT REQUIRED.—Before the end of the 2-year period beginning on the date of the enactment of this Act [Dec. 14, 2010], and at 2-year intervals following the end of such period, the Secretary of the Treasury shall submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate analyzing production costs for each circulating coin, cost trends for such production, and possible new metallic materials or technologies for the production of circulating coins.

“(b) DETAILED RECOMMENDATIONS.—In preparing and submitting the reports required under subsection (a), the Secretary of the Treasury shall include detailed recommendations for any appropriate changes to the metallic content of circulating coins in such a form that the recommendations could be enacted into law as appropriate.

“(c) IMPROVED PRODUCTION EFFICIENCY.—In preparing and submitting the reports required under subsection (a), the Secretary of the Treasury shall include recommendations for changes in the methods of producing coins that would further reduce the costs to produce circulating coins, and include notes on the legislative changes that are necessary to achieve such goals.

“(d) MINIMIZING CONVERSION COSTS.—In preparing and submitting the reports required under subsection (a), the Secretary of the Treasury, to the greatest extent possible, may not include any recommendation for new specifications for producing a circulating coin that would require any significant change to coin-accepting and coin-handling equipment to accommodate changes to all circulating coins simultaneously.

“(e) FRAUD PREVENTION.—The reports required under this section shall make no recommendation for a specification change that would facilitate or allow the use of a coin with a lesser value produced, minted, or issued by another country, or the use of any token or other easily or regularly produced metal device of minimal value, in the place of a circulating coin produced by the Secretary.

“(f) RULE OF CONSTRUCTION.—No provision of this Act [amending this section and enacting provisions set out as notes under this section and section 5101 of this title] shall be construed as requiring that additional research and development be conducted for any report under this Act but any such report shall include information on any such research and development during the period covered by the report.”

FINDINGS OF 2008 AMENDMENT

Pub. L. 110-456, title I, § 101, Dec. 23, 2008, 122 Stat. 5038, provided that: “The Congress finds as follows:

“(1) Yellowstone National Park was established by an Act signed by President Ulysses S. Grant on March 1, 1872, as the Nation’s first national park.

“(2) The summer and autumn of 1890 saw the establishment of a number of national sites:

“(A) August 19: Chickamauga and Chattanooga established as national military parks in Georgia and Tennessee.

“(B) August 30: Antietam established as a national battlefield site in Maryland.

“(C) September 25: Sequoia National Park established in California.

“(D) September 27: Rock Creek Park established in the District of Columbia.

“(E) October 1: General Grant National Park established in California (and subsequently incorporated in Kings Canyon National Park).

“(F) October 1: Yosemite National Park established in California.

“(3) Theodore Roosevelt was this nation’s 26th President and is considered by many to be our ‘Conservationist President’.

“(4) As a frequent visitor to the West, Theodore Roosevelt witnessed the virtual destruction of some big game species and the overgrazing that destroyed the grasslands and with them the habitats for small mammals and songbirds and conservation increasingly became one of his major concerns.

“(5) When he became President in 1901, Roosevelt pursued this interest in conservation by establishing the first 51 Bird Reserves, 4 Game Preserves, and 150 National Forests.

“(6) He also established the United States Forest Service, signed into law the creation of 5 National Parks, and signed the Act for the Preservation of American Antiquities in 1906 under which he proclaimed 18 national monuments.

“(7) Approximately 230,000,000 acres of area within the United States was placed under public protection by Theodore Roosevelt.

“(8) Theodore Roosevelt said that nothing short of defending this country in wartime ‘compares in importance with the great central task of leaving this land even a better land for our descendants than it is for us’.

“(9) The National Park Service was created by an Act signed by President Woodrow Wilson on August 25, 1916.

“(10) The National Park System comprises 391 areas covering more than 84,000,000 acres in every State (except Delaware), the District of Columbia, American Samoa, Guam, Puerto Rico, and the Virgin Islands.

“(11) The sites or areas within the National Park System vary widely in size and type from vast natural wilderness to birthplaces of Presidents to world heritage archaeology sites to an African burial ground memorial in Manhattan and include national parks, monuments, battlefields, military parks, historical parks, historic sites, lakeshores, seashores, recreation areas, scenic rivers and trails, and the White House.

“(12) In addition to the sites within the National Park System, the United States has placed numerous other types of sites under various forms of conservancy, such as the national forests and sites within the National Wildlife Refuge System and on the National Register of Historic Places.”

REMOVAL OF BARRIERS TO CIRCULATION OF \$1 COIN

Pub. L. 110–82, § 4, Sept. 20, 2007, 121 Stat. 779, provided that:

“(a) IN GENERAL.—In order to remove barriers to circulation, the Secretary of the Treasury shall carry out an aggressive, cost-effective, continuing campaign to encourage commercial enterprises to accept and dispense \$1 coins that have as designs on the obverse the so-called ‘Sacagawea design’.

“(b) REPORT.—The Secretary of the Treasury shall submit to Congress an annual report on the success of the efforts described in subsection (a).”

5-CENT COINS MINTED IN 2004 AND 2005

Pub. L. 109–230, § 8, June 15, 2006, 120 Stat. 393, provided that: “Notwithstanding the fifth sentence of section 5112(d)(1) of title 31, United States Code, the Secretary of the Treasury may continue to issue, after December 31, 2005, numismatic items that contain 5-cent coins minted in the years 2004 and 2005.”

PRESIDENTIAL COMMEMORATIVE DOLLAR COINS; FINDINGS

Pub. L. 109–145, title I, § 101, Dec. 22, 2005, 119 Stat. 2664, provided that: “Congress finds the following:

“(1) There are sectors of the United States economy, including public transportation, parking meters, vending machines, and low-dollar value transactions, in which the use of a \$1 coin is both useful and desirable for keeping costs and prices down.

“(2) For a variety of reasons, the new \$1 coin introduced in 2000 has not been widely sought-after by the public, leading to higher costs for merchants and thus higher prices for consumers.

“(3) The success of the 50 States Commemorative Coin Program (31 U.S.C. 5112(l)) for circulating quarter dollars shows that a design on a United States circulating coin that is regularly changed in a manner similar to the systematic change in designs in such Program radically increases demand for the coin, rapidly pulling it through the economy.

“(4) The 50 States Commemorative Coin Program also has been an educational tool, teaching both Americans and visitors something about each State for which a quarter has been issued.

“(5) A national survey and study by the Government Accountability Office has indicated that many Americans who do not seek, or who reject, the new \$1 coin for use in commerce would actively seek the coin if an attractive, educational rotating design were to be struck on the coin.

“(6) The President is the leader of our tripartite government and the President’s spouse has often set the social tone for the White House while spearheading and highlighting important issues for the country.

“(7) Sacagawea, as currently represented on the new \$1 coin, is an important symbol of American history.

“(8) Many people cannot name all of the Presidents, and fewer can name the spouses, nor can many people accurately place each President in the proper time period of American history.

“(9) First Spouses have not generally been recognized on American coinage.

“(10) In order to revitalize the design of United States coinage and return circulating coinage to its position as not only a necessary means of exchange in commerce, but also as an object of aesthetic beauty in its own right, it is appropriate to move many of the mottos and emblems, the inscription of the year, and the so-called ‘mint marks’ that currently appear on the 2 faces of each circulating coin to the edge of the coin, which would allow larger and more dramatic artwork on the coins reminiscent of the so-called ‘Golden Age of Coinage’ in the United States, at the beginning of the Twentieth Century, initiated by President Theodore Roosevelt, with the assistance of noted sculptors and medallist artists James Earle Fraser and Augustus Saint-Gaudens.

“(11) Placing inscriptions on the edge of coins, known as edge-incusing, is a hallmark of modern coinage and is common in large-volume production of coinage elsewhere in the world, such as the 2,700,000,000 2-Euro coins in circulation, but it has not been done on a large scale in United States coinage in recent years.

“(12) Although the Congress has authorized the Secretary of the Treasury to issue gold coins with a purity of 99.99 percent, the Secretary has not done so.

“(13) Bullion coins are a valuable tool for the investor and, in some cases, an important aspect of coin collecting.”

ABRAHAM LINCOLN BICENTENNIAL 1-CENT COIN REDESIGN

Pub. L. 109–145, title III, Dec. 22, 2005, 119 Stat. 2673, provided that:

“SEC. 301. FINDINGS.

“Congress finds the following:

“(1) Abraham Lincoln, the 16th President, was one of the Nation’s greatest leaders, demonstrating true courage during the Civil War, one of the greatest crises in the Nation’s history.

“(2) Born of humble roots in Hardin County (present-day LaRue County), Kentucky, on February 12, 1809, Abraham Lincoln rose to the Presidency through a combination of honesty, integrity, intelligence, and commitment to the United States.

“(3) With the belief that all men are created equal, Abraham Lincoln led the effort to free all slaves in the United States.

“(4) Abraham Lincoln had a generous heart, with malice toward none, and with charity for all.

“(5) Abraham Lincoln gave the ultimate sacrifice for the country he loved, dying from an assassin’s bullet on April 15, 1865.

“(6) All Americans could benefit from studying the life of Abraham Lincoln, for Lincoln’s life is a model for accomplishing the ‘American dream’ through honesty, integrity, loyalty, and a lifetime of education.

“(7) The year 2009 will be the bicentennial anniversary of the birth of Abraham Lincoln.

“(8) Abraham Lincoln was born in Kentucky, grew to adulthood in Indiana, achieved fame in Illinois, and led the nation in Washington, D.C.

“(9) The so-called ‘Lincoln cent’ was introduced in 1909 on the 100th anniversary of Lincoln’s birth, making the obverse design the most enduring on the nation’s coinage.

“(10) President Theodore Roosevelt was so impressed by the talent of Victor David Brenner that the sculptor was chosen to design the likeness of President Lincoln for the coin, adapting a design from a plaque Brenner had prepared earlier.

“(11) In the nearly 100 years of production of the ‘Lincoln cent’, there have been only 2 designs on the reverse: the original, featuring 2 wheat-heads in memorial style enclosing mottoes, and the current representation of the Lincoln Memorial in Washington, D.C.

“(12) On the occasion of the bicentennial of President Lincoln’s birth and the 100th anniversary of the production of the Lincoln cent, it is entirely fitting to issue a series of 1-cent coins with designs on the reverse that are emblematic of the 4 major periods of President Lincoln’s life.

“SEC. 302. REDESIGN OF LINCOLN CENT FOR 2009.

“(a) IN GENERAL.—During the year 2009, the Secretary of the Treasury shall issue 1-cent coins in accordance with the following design specifications:

“(1) OBERSE.—The obverse of the 1-cent coin shall continue to bear the Victor David Brenner likeness of President Abraham Lincoln.

“(2) REVERSE.—The reverse of the coins shall bear 4 different designs each representing a different aspect of the life of Abraham Lincoln, such as—

“(A) his birth and early childhood in Kentucky;

“(B) his formative years in Indiana;

“(C) his professional life in Illinois; and

“(D) his presidency, in Washington, D.C.

“(b) ISSUANCE OF REDESIGNED LINCOLN CENTS IN 2009.—

“(1) ORDER.—The 1-cent coins to which this section applies shall be issued with 1 of the 4 designs referred to in subsection (a)(2) beginning at the start of each calendar quarter of 2009.

“(2) NUMBER.—The Secretary shall prescribe, on the basis of such factors as the Secretary determines to be appropriate, the number of 1-cent coins that shall be issued with each of the designs selected for each calendar quarter of 2009.

“(c) DESIGN SELECTION.—The designs for the coins specified in this section shall be chosen by the Secretary—

“(1) after consultation with the Abraham Lincoln Bicentennial Commission and the Commission of Fine Arts; and

“(2) after review by the Citizens Coinage Advisory Committee.

“SEC. 303. REDESIGN OF REVERSE OF 1-CENT COINS AFTER 2009.

“The design on the reverse of the 1-cent coins issued after December 31, 2009, shall bear an image emblematic of President Lincoln’s preservation of the United States of America as a single and united country.

“SEC. 304. NUMISMATIC PENNIES WITH THE SAME METALLIC CONTENT AS THE 1909 PENNY.

“The Secretary of the Treasury shall issue 1-cent coins in 2009 with the exact metallic content as the 1-

cent coin contained in 1909 in such number as the Secretary determines to be appropriate for numismatic purposes.

“SEC. 305. SENSE OF THE CONGRESS.

“It is the sense of the Congress that the original Victor David Brenner design for the 1-cent coin was a dramatic departure from previous American coinage that should be reproduced, using the original form and relief of the likeness of Abraham Lincoln, on the 1-cent coins issued in 2009.”

DESIGNS ON THE 5-CENT COIN

Pub. L. 108–15, title I, §101, Apr. 23, 2003, 117 Stat. 615, provided that:

“(a) IN GENERAL.—Subject to subsection (b) and after consulting with the Citizens Coinage Advisory Committee and the Commission of Fine Arts, the Secretary of the Treasury may change the design on the obverse and the reverse of the 5-cent coin for coins issued in 2003, 2004, and 2005 in recognition of the bicentennial of the Louisiana Purchase and the expedition of Meriwether Lewis and William Clark.

“(b) DESIGN SPECIFICATIONS.—

“(1) OBERSE.—If the Secretary of the Treasury elects to change the obverse of 5-cent coins issued during 2003, 2004, and 2005, the design shall depict a likeness of President Thomas Jefferson, different from the likeness that appeared on the obverse of the 5-cent coins issued during 2002, in recognition of his role with respect to the Louisiana Purchase and the commissioning of the Lewis and Clark expedition.

“(2) REVERSE.—If the Secretary of the Treasury elects to change the reverse of the 5-cent coins issued during 2003, 2004, and 2005, the design selected shall depict images that are emblematic of the Louisiana Purchase or the expedition of Meriwether Lewis and William Clark.

“(3) OTHER INSCRIPTIONS.—5-cent coins issued during 2003, 2004, and 2005 shall continue to meet all other requirements for inscriptions and designations applicable to circulating coins under section 5112(d)(1) of title 31, United States Code.”

STUDY AND REPORT OF IMPACT ON UNITED STATES SILVER MARKET OF THE AMERICAN EAGLE SILVER BULLION PROGRAM

Pub. L. 107–201, §3(b), July 23, 2002, 116 Stat. 737, provided that:

“(1) STUDY.—The Secretary of the Treasury shall conduct a study of the impact on the United States silver market of the American Eagle Silver Bullion Program, established under section 5112(e) of title 31, United States Code.

“(2) REPORT.—Not later than 1 year after the date of enactment of this Act [July 23, 2002], the Secretary of the Treasury shall submit a report of the study conducted under paragraph (1) to the chairman and ranking minority member of—

“(A) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

“(B) the Committee on Financial Services of the House of Representatives.”

FINDINGS OF 1997 AMENDMENT

Pub. L. 105–124, §2, Dec. 1, 1997, 111 Stat. 2534, provided that: “The Congress finds that—

“(1) it is appropriate and timely—

“(A) to honor the unique Federal republic of 50 States that comprise the United States; and

“(B) to promote the diffusion of knowledge among the youth of the United States about the individual States, their history and geography, and the rich diversity of the national heritage;

“(2) the circulating coinage of the United States has not been modernized during the 25-year period preceding the date of enactment of this Act [Dec. 1, 1997];

“(3) a circulating commemorative 25-cent coin program could produce earnings of \$110,000,000 from the

sale of silver proof coins and sets over the 10-year period of issuance, and would produce indirect earnings of an estimated \$2,600,000,000 to \$5,100,000,000 to the United States Treasury, money that will replace borrowing to fund the national debt to at least that extent; and

“(4) it is appropriate to launch a commemorative circulating coin program that encourages young people and their families to collect memorable tokens of all of the States for the face value of the coins.”

DOLLAR COINS

Pub. L. 105-124, § 4(e), (f), Dec. 1, 1997, 111 Stat. 2536, 2537, provided that:

“(e) PRODUCTION OF NEW DOLLAR COINS.—

“(1) IN GENERAL.—Upon the depletion of the Government’s supply (as of the date of enactment of this Act [Dec. 1, 1997]) of \$1 coins bearing the likeness of Susan B. Anthony, the Secretary of the Treasury shall place into circulation \$1 coins that comply with the requirements of subsections (b) and (d)(1) of section 5112 of title 31, United States Code, as amended by this section.

“(2) AUTHORITY OF SECRETARY TO CONTINUE PRODUCTION.—If the supply of \$1 coins bearing the likeness of Susan B. Anthony is depleted before production has begun of \$1 coins which bear a design which complies with the requirements of subsections (b) and (d)(1) of section 5112 of title 31, United States Code, as amended by this section, the Secretary of the Treasury may continue to mint and issue \$1 coins bearing the likeness of Susan B. Anthony in accordance with that section 5112 (as in effect on the day before the date of enactment of this Act) until such time as production begins.

“(3) NUMISMATIC SETS.—The Secretary may include such \$1 coins in any numismatic set produced by the United States Mint before the date on which the \$1 coins authorized by this section are placed in circulation.

“(f) MARKETING PROGRAM.—

“(1) IN GENERAL.—Before placing into circulation \$1 coins authorized under this section [amending this section and enacting provisions set out as a note under section 5101 of this title], the Secretary of the Treasury shall adopt a program to promote the use of such coins by commercial enterprises, mass transit authorities, and Federal, State, and local government agencies.

“(2) STUDY REQUIRED.—The Secretary of the Treasury shall conduct a study on the progress of the marketing program adopted in accordance with paragraph (1).

“(3) REPORT.—Not later than March 31, 2001, the Secretary of the Treasury shall submit a report to the Congress on the results of the study conducted pursuant to paragraph (2).”

STUDY AND REPORT TO CONGRESS OF 50 STATES COMMEMORATIVE COIN PROGRAM

Pub. L. 104-329, title III, § 302, Oct. 20, 1996, 110 Stat. 4012, provided that:

“(a) STUDY.—The Secretary of the Treasury shall by June 1, 1997 complete a study of the feasibility of a circulating commemorative coin program to commemorate each of the 50 States. The study shall assess likely public acceptance of and consumer demand for different coins that might be issued in connection with such a program (taking into consideration the pace of issuance of coins and the length of such a program), a comparison of the costs of producing coins issued under the program and the revenue that the program would generate, the impact on coin distribution systems, the advantages and disadvantages of different approaches to selecting designs for coins in such a program, and such other factors as the Secretary considers appropriate in deciding upon the feasibility of such a program. No steps taken in order to gather information for this study shall be considered a collection of information

within the meaning of section 3502 of title 44, United States Code.

“(b) REPORT.—The Secretary shall submit the study required in subsection (a) above, to the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing and Urban Affairs of the Senate, simultaneously on its receipt by the Secretary.

“(c) 50-STATE COMMEMORATIVE COIN PROGRAM.—The Secretary shall determine by August 1, 1997 whether the results of the study authorized by subsection (a) justify such a program. If the Secretary determines that such a program is justified, then he shall by January 1, 1999, notwithstanding the fourth sentence of subsection (d)(1) and subsection (d)(2) of section 5112, title 31, United States Code, commence a commemorative coin program consisting of the minting and issuance of quarter dollar coins bearing designs, selected in accordance with paragraph (4) of this subsection, which are emblematic of the 50 States. If the Secretary determines that such a commemorative coin program is justified but that it is not practicable to commence the program by January 1, 1999, then he shall notify the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate of such impracticability and of the date on which the program will commence.

“(1) DESIGN.—The design for each quarter dollar issued under the program shall be emblematic of 1 of the 50 States. The designs for quarter dollar coins issued during each year of the program shall be emblematic of States which have not previously been commemorated under the program.

“(2) ORDER OF ISSUANCE.—Each State will be honored by a coin in the order of that State’s admission to the United States.

“(3) NUMBER OF COINS.—Of the quarter dollar coins issued during each year of the program, the Secretary shall prescribe, on the basis of such factors as the Secretary determines to be appropriate, the number of quarter dollar coins which shall be issued with each of the designs selected for such year.

“(4) SELECTION OF DESIGN.—Each of the 50 designs required for quarter dollars issued under the program shall be—

“(A) selected pursuant to a process, decided upon by the Secretary, on the basis of the study conducted pursuant to subsection (a), which process shall involve, among other things, consultation with appropriate officials of the State being commemorated with such design; and

“(B) reviewed by the Citizens Commemorative Coin Advisory Committee and the Commission of Fine Arts.

“(5) TREATMENT AS NUMISMATIC ITEMS.—For purposes of sections 5134 and 5136 of title 31, United States Code, all coins minted under this section shall be considered to be numismatic items.

“(6) NUMISMATIC ITEMS.—

“(A) QUALITY OF COINS.—The Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (4) of this subsection in uncirculated and proof qualities as the Secretary determines to be appropriate.

“(B) SILVER COINS.—Notwithstanding the provisions of subsection 5112(b) of title 31, United States Code, the Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (4) of this subsection as the Secretary determines to be appropriate with a content of 90 percent silver and 10 percent copper.

“(C) SOURCES OF BULLION.—The Secretary may obtain silver for minting coins under paragraph (6)(B) from stockpiles established under the Strategic and Critical Materials Stock Piling Act [50 U.S.C. 98 et seq.].

“(d) FUNDING.—Funds used to complete this study shall be offset from funds from the Department of the Treasury.”

DEPOSIT OF PROFITS FROM SALE OF GOLD TO MINT FOR
COMMEMORATIVE COIN PROGRAM

Section 101(f) [title V, §523] of Pub. L. 104-208 provided in part: "That profits generated from the sale of gold to the United States Mint for this program shall be considered as a receipt to be deposited into the General Fund of the Treasury."

USE OF GOVERNMENT PLATINUM RESERVES STOCKPILED
AT MINT

Section 101(f) [title V, §524] of Pub. L. 104-208 provided in part: "That the Secretary is authorized to use Government platinum reserves stockpiled at the United States Mint as working inventory and shall ensure that reserves utilized are replaced by the Mint."

REFORM OF COMMEMORATIVE COIN PROGRAMS

Pub. L. 103-186, title III, Dec. 14, 1993, 107 Stat. 2251, as amended by Pub. L. 104-208, div. A, title I, §101(f) [title V, §529(b)(4)], Sept. 30, 1996, 110 Stat. 3009-314, 3009-352; Pub. L. 104-316, title I, §115(h), Oct. 19, 1996, 110 Stat. 3835, provided that:

"SEC. 301. SENSE OF CONGRESS RESOLUTION.

"(a) FINDINGS.—The Congress hereby makes the following findings:

"(1) Congress has authorized 18 commemorative coin programs in the 9 years since 1984.

"(2) There are more meritorious causes, events, and people worthy of commemoration than can be honored with commemorative coinage.

"(3) Commemorative coin legislation has increased at a pace beyond that which the numismatic community can reasonably be expected to absorb.

"(4) It is in the interests of all Members of Congress that a policy be established to control the flow of commemorative coin legislation.

"(b) DECLARATION.—It is the sense of the Congress that the Committee on Banking, Finance and Urban Affairs [now Committee on Financial Services] of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate should not report or otherwise clear for consideration by the House of Representatives or the Senate legislation providing for more than 2 commemorative coin programs for any year, unless the committee determines, on the basis of a recommendation by the Citizens Commemorative Coin Advisory Committee, that extraordinary merit exists for an additional commemorative coin program.

"SEC. 302. REPORTS BY RECIPIENTS OF COMMEMORATIVE COIN SURCHARGES.

"(a) QUARTERLY FINANCIAL REPORT.—

"(1) IN GENERAL.—Each person who receives, after the date of the enactment of this Act [Dec. 14, 1993], any surcharge derived from the sale of commemorative coins under any Act of Congress shall submit a quarterly financial report to the Director of the United States Mint and the Comptroller General of the United States describing in detail the expenditures made by such person from the proceeds of the surcharge.

"(2) INFORMATION TO BE INCLUDED.—The report under paragraph (1) shall include information on the proportion of the surcharges received during the period covered by the report to the total revenue of such person during such period, expressed as a percentage, and the percentage of total revenue during such period which was spent on administrative expenses (including salaries, travel, overhead, and fund raising).

"(3) DUE DATES.—Quarterly reports under this subsection shall be due at the end of the 30-day period beginning on the last day of any calendar quarter during which any surcharge derived from the sale of commemorative coins is received by any person.

"(b) FINAL REPORT.—Each person who receives, after the date of the enactment of this Act, any surcharge derived from the sale of commemorative coins under

any Act of Congress shall submit a final report on the expenditures made by such person from the proceeds of all surcharges received by such person, including information described in subsection (a)(2), before the end of the 1-year period beginning on the last day on which sales of such coins may be made."

AMOUNT EQUAL TO PROFIT FROM SALE OF GOLD COINS
DEPOSITED IN GENERAL FUND OF TREASURY TO
REDUCE NATIONAL DEBT

Section 2(f) of Pub. L. 99-185 provided that an amount equal to the amount by which the proceeds from the sale of the coins issued under 31 U.S.C. 5112(i) exceeded the sum of the cost of minting, marketing, and distributing such coins, and the value of gold certificates (not exceeding forty-two and two-ninths dollars a fine troy ounce) retired from the use of gold contained in such coins, was to be deposited in the general fund of the Treasury and used for the sole purpose of reducing the national debt, prior to repeal by Pub. L. 102-390, title II, §221(c)(2)(A), Oct. 6, 1992, 106 Stat. 1628, effective Oct. 1, 1992.

ISSUANCE OF GOLD COINS TO RESULT IN NO NET COST
TO UNITED STATES

Section 2(g) of Pub. L. 99-185 provided that: "The Secretary shall take all actions necessary to ensure that the issuance of the coins minted under section 5112(i) of title 31, United States Code, shall result in no net cost to the United States Government."

COMMEMORATIVE COINS

Provisions authorizing commemorative coins were contained in the following acts:

Pub. L. 111-262, Oct. 8, 2010, 124 Stat. 2780.—5-Star Generals.

Pub. L. 111-232, Aug. 16, 2010, 124 Stat. 2490.—Star-Spangled Banner.

Pub. L. 111-91, Nov. 6, 2009, 123 Stat. 2980.—Medal of Honor.

Pub. L. 111-86, Oct. 29, 2009, 123 Stat. 2881.—Girl Scouts USA centennial.

Pub. L. 110-451, Dec. 2, 2008, 122 Stat. 5021.—Civil Rights Act of 1964.

Pub. L. 110-450, Dec. 1, 2008, 122 Stat. 5017.—United States Army.

Pub. L. 110-363, Oct. 8, 2008, 122 Stat. 4015.—Boy Scouts of America centennial.

Pub. L. 110-357, Oct. 8, 2008, 122 Stat. 3998.—National Infantry Museum and Soldier Center.

Pub. L. 110-277, July 17, 2008, 122 Stat. 2599.—American veterans disabled for life.

Pub. L. 109-285, Sept. 27, 2006, 120 Stat. 1215; Pub. L. 112-74, div. C, title VI, §621, Dec. 23, 2011, 125 Stat. 926.—Abraham Lincoln.

Pub. L. 109-247, July 27, 2006, 120 Stat. 582.—Louis Braille bicentennial—braille literacy.

Pub. L. 109-230, §§1-7, June 15, 2006, 120 Stat. 391-393.—San Francisco Old Mint.

Pub. L. 109-146, Dec. 22, 2005, 119 Stat. 2676.—Little Rock Central High School desegregation 50th anniversary.

Pub. L. 108-486, Dec. 23, 2004, 118 Stat. 3934.—American Bald Eagle Recovery and National Emblem.

Pub. L. 108-464, Dec. 21, 2004, 118 Stat. 3878.—Benjamin Franklin.

Pub. L. 108-291, Aug. 6, 2004, 118 Stat. 1024.—Marine Corps 230th anniversary.

Pub. L. 108-290, Aug. 6, 2004, 118 Stat. 1021.—John Marshall.

Pub. L. 108-289, Aug. 6, 2004, 118 Stat. 1017; Pub. L. 111-86, §8(b), Oct. 29, 2009, 123 Stat. 2883.—Jamestown 400th anniversary.

Pub. L. 106-435, Nov. 6, 2000, 114 Stat. 1916.—2002 Winter Olympic Games.

Pub. L. 106-375, Oct. 27, 2000, 114 Stat. 1435.—National Museum of the American Indian.

Pub. L. 106-126, title I, Dec. 6, 1999, 113 Stat. 1643.—Leif Ericson millennium.

Pub. L. 106-126, title II, Dec. 6, 1999, 113 Stat. 1644.—United States Capitol visitor center.

Pub. L. 106-126, title III, Dec. 6, 1999, 113 Stat. 1647; Pub. L. 109-232, June 15, 2006, 120 Stat. 395.—Lewis and Clark Expedition bicentennial.

Pub. L. 105-331, Oct. 31, 1998, 112 Stat. 3073; Pub. L. 110-3, Feb. 8, 2007, 121 Stat. 6.—Thomas Alva Edison.

Pub. L. 105-268, Oct. 19, 1998, 112 Stat. 2378.—Library of Congress bicentennial.

Pub. L. 105-124, § 6, Dec. 1, 1997, 111 Stat. 2537.—First flight by Orville and Wilbur Wright.

Pub. L. 104-329, § 2, title I, §§ 101-108, Oct. 20, 1996, 110 Stat. 4005-4011; Pub. L. 105-277, div. C, title I, § 139(c), Oct. 21, 1998, 112 Stat. 2681-599.—Dolley Madison, George Washington, Black Revolutionary War patriots, Franklin Delano Roosevelt Memorial, Yellowstone National Park, National Law Enforcement Officers Memorial, and Jackie Robinson.

Pub. L. 104-96, Jan. 10, 1996, 109 Stat. 981.—Smithsonian Institution sesquicentennial.

Pub. L. 103-328, title II, § 204, Sept. 29, 1994, 108 Stat. 2369.—1995 Special Olympics World Games.

Pub. L. 103-328, title II, § 205, Sept. 29, 1994, 108 Stat. 2371.—National community service.

Pub. L. 103-328, title II, § 206, Sept. 29, 1994, 108 Stat. 2373.—Robert F. Kennedy Memorial.

Pub. L. 103-328, title II, § 207, Sept. 29, 1994, 108 Stat. 2375.—United States Military Academy bicentennial.

Pub. L. 103-328, title II, § 208, Sept. 29, 1994, 108 Stat. 2377.—United States Botanic Garden.

Pub. L. 103-186, title I, Dec. 14, 1993, 107 Stat. 2245.—Thomas Jefferson.

Pub. L. 103-186, title II, Dec. 14, 1993, 107 Stat. 2247.—Prisoner-of-war, Vietnam Veterans Memorial, and Women in Military Service for America Memorial.

Pub. L. 103-186, title IV, Dec. 14, 1993, 107 Stat. 2252.—United States Capitol bicentennial.

Pub. L. 102-414, Oct. 14, 1992, 106 Stat. 2106.—World War II 50th anniversary.

Pub. L. 102-390, title I, Oct. 6, 1992, 106 Stat. 1620; Pub. L. 104-74, Dec. 26, 1995, 109 Stat. 784.—1996 Olympic Games.

Pub. L. 102-379, Oct. 5, 1992, 106 Stat. 1362.—Civil War battlefields.

Pub. L. 102-281, title I, May 13, 1992, 106 Stat. 133; Pub. L. 102-390, title II, § 221(c)(2)(G), Oct. 6, 1992, 106 Stat. 1628.—White House 200th anniversary.

Pub. L. 102-281, title II, May 13, 1992, 106 Stat. 135; Pub. L. 102-390, title II, § 221(c)(2)(H), Oct. 6, 1992, 106 Stat. 1628; Pub. L. 104-66, title I, § 1132(a), Dec. 21, 1995, 109 Stat. 725.—World Cup USA 1994.

Pub. L. 102-281, title IV, §§ 401-411, May 13, 1992, 106 Stat. 139-141; Pub. L. 102-390, title II, § 221(c)(2)(I), Oct. 6, 1992, 106 Stat. 1628.—Christopher Columbus quincenary.

Pub. L. 102-281, title V, May 13, 1992, 106 Stat. 145; Pub. L. 104-66, title I, § 1132(c), Dec. 21, 1995, 109 Stat. 725.—James Madison and Bill of Rights.

Pub. L. 101-495, Oct. 31, 1990, 104 Stat. 1187; Pub. L. 102-390, title II, § 221(c)(2)(F), Oct. 6, 1992, 106 Stat. 1628.—Korean War Veterans Memorial.

Pub. L. 101-406, Oct. 3, 1990, 104 Stat. 879; Pub. L. 102-390, title II, § 221(c)(2)(E), Oct. 6, 1992, 106 Stat. 1628.—1992 Olympic Games.

Pub. L. 101-404, Oct. 2, 1990, 104 Stat. 875; Pub. L. 102-390, title II, § 221(c)(2)(D), Oct. 6, 1992, 106 Stat. 1628.—United Services Organization 50th anniversary.

Pub. L. 101-332, July 16, 1990, 104 Stat. 313; Pub. L. 102-390, title II, § 221(c)(2)(C), Oct. 6, 1992, 106 Stat. 1628; Pub. L. 103-328, title II, § 209, Sept. 29, 1994, 108 Stat. 2378.—Mount Rushmore National Memorial golden anniversary.

Pub. L. 100-673, Nov. 17, 1988, 102 Stat. 3992; Pub. L. 101-36, June 9, 1989, 103 Stat. 69; Pub. L. 101-302, title III, § 312(c), May 25, 1990, 104 Stat. 245; Pub. L. 103-186, title IV, § 408(b), Dec. 14, 1993, 107 Stat. 2253.—United States Congress bicentennial.

Pub. L. 100-467, Oct. 3, 1988, 102 Stat. 2275; Pub. L. 102-390, title II, § 221(c)(2)(B), Oct. 6, 1992, 106 Stat. 1628.—Dwight David Eisenhower.

Pub. L. 100-141, Oct. 28, 1987, 101 Stat. 832.—1988 Olympic Games.

Pub. L. 99-582, Oct. 29, 1986, 100 Stat. 3315.—United States Constitution bicentennial.

Pub. L. 99-61, title I, July 9, 1985, 99 Stat. 113.—Statue of Liberty and Ellis Island.

Pub. L. 97-220, July 22, 1982, 96 Stat. 222.—1984 Olympic Games.

POSSESSION OF GOLD COINS AND BULLION

The possession of gold coins and bullion was prohibited except under Government license by Ex. Ord. No. 6260, eff. Aug. 28, 1933. That prohibition was revoked by Ex. Ord. No. 11825, Dec. 31, 1974, 40 F.R. 1003, eff. Dec. 31, 1974. See notes set out under section 95a of Title 12, Banks and Banking.

§ 5113. Tolerances and testing of coins

(a) The Secretary of the Treasury may prescribe reasonable manufacturing tolerances for specifications in section 5112 of this title (except for specifications that are limits) for the dollar, half dollar, quarter dollar, and dime coins. The weight of the 5-cent coin may vary not more than 0.194 gram. The weight of the one-cent coin may vary not more than 0.13 gram. Any gold coin issued under section 5112 of this title shall contain the full weight of gold stated on the coin.

(b) The Secretary shall keep a record of the kind, number, and weight of each group of coins minted and test a number of the coins separately to determine if the coins conform to the weight specified in section 5112(a) of this title. If the coins tested do not conform, the Secretary—

- (1) shall weigh each coin of the group separately and deface the coins that do not conform and cast them into bars for reminting; or
- (2) may remelt the group of coins.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 983; Pub. L. 100-274, § 4(b), Mar. 31, 1988, 102 Stat. 50.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5113(a)	31:350. 31:398(5).	R.S. § 3537; Sept. 26, 1890, ch. 945, § 1, 26 Stat. 485. July 23, 1965, Pub. L. 89-81, § 108(5), 79 Stat. 255.
5113(b)	31:351.	R.S. § 3538; Aug. 23, 1912, ch. 350, § 1 (last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384.

In subsection (a), the words "for the dollar, half dollar, quarter dollar, and dime coins" are added because of the restatement. The words "0.194 gram" are substituted for "three grains", and the words "0.13 gram" are substituted for "two grains", for consistency in the revised chapter.

In subsection (b), before clause (1), the words "Secretary shall keep a record of the kind, number, and weight of each group of coins minted" are substituted for 31:351(1st sentence) because of the source provisions restated in section 321(c) of the revised title. In clause (1), the words "deface the coins that do not conform and cast them into bars for reminting" are substituted for "shall be defaced and delivered to the superintendent of melting and refining department as standard bullion, to be again formed into ingots and recoined" for consistency in the revised chapter and to eliminate unnecessary words. In clause (2), the words "if more convenient" are omitted as surplus.

AMENDMENTS

1988—Subsec. (a). Pub. L. 100-274 inserted at end "Any gold coin issued under section 5112 of this title shall contain the full weight of gold stated on the coin."

§ 5114. Engraving and printing currency and security documents

HISTORICAL AND REVISION NOTES

(a) AUTHORITY TO ENGRAVE AND PRINT.—

(1) IN GENERAL.—The Secretary of the Treasury shall engrave and print United States currency and bonds of the United States Government and currency and bonds of United States territories and possessions from intaglio plates on plate printing presses the Secretary selects. However, other security documents and checks may be printed by any process the Secretary selects. Engraving and printing shall be carried out within the Department of the Treasury if the Secretary decides the engraving and printing can be carried out as cheaply, perfectly, and safely as outside the Department.

(2) ENGRAVING AND PRINTING FOR OTHER GOVERNMENTS.—The Secretary of the Treasury may produce currency, postage stamps, and other security documents for foreign governments if—

(A) the Secretary of the Treasury determines that such production will not interfere with engraving and printing needs of the United States; and

(B) the Secretary of State determines that such production would be consistent with the foreign policy of the United States.

(3) PROCUREMENT GUIDELINES.—Articles, material, and supplies procured for use in the production of currency, postage stamps, and other security documents for foreign governments pursuant to paragraph (2) shall be treated in the same manner as articles, material, and supplies procured for public use within the United States for purposes of title III of the Act of March 3, 1933 (41 U.S.C. 10a et seq.; commonly referred to as the Buy American Act).¹

(b) United States currency has the inscription “In God We Trust” in a place the Secretary decides is appropriate. Only the portrait of a deceased individual may appear on United States currency and securities. The name of the individual shall be inscribed below the portrait.

(c) The Secretary may make a contract to manufacture distinctive paper for United States currency and securities. To promote competition among manufacturers of the distinctive paper, the Secretary may split the award for the manufacture of the paper between the 2 bidders with the lowest prices a pound. When the Secretary decides that it is necessary to operate more than one mill to manufacture distinctive paper, the Secretary may—

(1) employ individuals temporarily at rates of pay equivalent to the rates of pay of regular employees; and

(2) charge the pay of the temporary employees to the appropriation available for manufacturing distinctive paper.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 983; Pub. L. 108–458, title VI, §6301(a), Dec. 17, 2004, 118 Stat. 3748; Pub. L. 112–74, div. C, title I, §116, Dec. 23, 2011, 125 Stat. 891.)

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5114(a)	31:177.	Aug. 24, 1912, ch. 355, §1(4th par. under heading “Engraving and Printing”), 37 Stat. 430.
	31:415.	Jan. 3, 1923, ch. 22(2d par. under heading “Bureau of Engraving and Printing”), 42 Stat. 1099.
5114(b)	31:416.	Mar. 3, 1877, ch. 105(provisos in par. under heading “Bureau of Engraving and Printing”), 19 Stat. 353.
	31:324a.	R.S. §3577.
	31:413. 31:414.	July 11, 1955, ch. 303, 69 Stat. 290. R.S. §3576.
5114(c)	31:418.	Mar. 2, 1889, ch. 411, §1(5th proviso under heading “Engraving and Printing”), 25 Stat. 945.
	31:418a.	July 1, 1916, ch. 209, §1(2d par. on p. 277), 39 Stat. 277; Oct. 31, 1951, ch. 654, §2(19), 65 Stat. 707.
	31:419.	Aug. 11, 1951, ch. 301, §101(proviso under heading “Bureau of Engraving and Printing”), 65 Stat. 184. Apr. 4, 1924, ch. 84(1st par. on p. 69), 43 Stat. 69.

In subsection (a), the words “The Secretary of the Treasury shall engrave and print” are substituted for “The work of engraving and printing . . . shall be performed at the Treasury Department” in 31:415 because of the source provisions restated in section 321(c) of the revised title. The words “United States currency and security documents of the United States Government and currency and bonds of the United States territories and possessions” are substituted for “the backs and tints of all United States bonds, the backs and tints of all United States paper money, and the backs and tints of bonds and paper money issued by any of the insular possessions of the United States” in 31:177 to eliminate unnecessary words and for clarity and consistency in the revised title. The words “other security documents and checks” are substituted for “checks” because only currency and bonds must be printed from intaglio plates. The text of 31:177(1st proviso) is omitted as unnecessary because of the authority of the Secretary to engrave and print restated in the subsection and the source provisions restated in section 303 of the revised title. The text of 31:177(last proviso) is omitted as executed. The text of the first and 2d provisos in the 4th paragraph under the heading “Engraving and Printing” in section 1 of the Act of August 24, 1912 (ch. 355, 37 Stat. 430), is omitted as superseded by 31:177(1st proviso). The words after the semicolon in the 2d paragraph under the heading “Bureau of Engraving and Printing” of the Act of January 3, 1923 (ch. 22, 42 Stat. 1099), are omitted as executed. The words “if the Secretary decides the engraving and printing can be carried out . . . as outside the Department” are substituted for “provided it can be done there” in 31:415 for clarity. The words “The Secretary of the Treasury may purchase and provide all the machinery and materials” in 31:416 are omitted as being superseded by section 5142 of the revised title. The words “and employ such persons and appoint such officers as are necessary for the purpose of section 415 of this title” are omitted as unnecessary because of 5:3101. The text of section 3577(words before the semicolon) of the Revised Statutes is omitted as superseded by 31:415.

In subsection (b), the words “United States currency has the inscription” are substituted for “the dies shall bear . . . the inscription” in 31:324a for clarity. The words “At such time as new dies for the printing of currency are adopted” are omitted as executed. The words “and thereafter this inscription shall appear on all United States currency and coins” are omitted as unnecessary because of the restatement of the source provisions in this subsection and section 5112(d) of the revised title. The words “in connection with the current

¹ See References in Text note below.

program of the Treasury Department to increase the capacity of presses utilized by the Bureau of Engraving and Printing” in the Act of July 11, 1955 (ch. 303, 69 Stat. 290), are omitted as unnecessary. The words “Only . . . of a deceased individual” are substituted for “No . . . while the original of such portrait is living” in 31:413 for clarity. The words “United States currency and obligations” are substituted for “bonds, securities, notes, fractional or postal currency of the United States” for consistency in the revised title. The words “shall be placed upon any of the plates for bonds, securities, notes, and silver certificates of the United States” in 31:414 are omitted as unnecessary because of the restatement.

In subsection (c), before clause (1), the words “subject to applicable regulations under the Federal Property and Administrative Services Act of 1949, as amended” in 31:418 are omitted as unnecessary. The words “On and after August 11, 1951” in 31:418a are omitted as executed. The words “received after advertisement” are omitted as unnecessary because of 41:252. The words “the Secretary decides” are added for clarity. In clause (1), the words “as may be necessary” in 31:419 are omitted as surplus. In clause (2), the word “pay” is substituted for “compensation” for consistency in the revised subsection and with other titles of the United States Code.

REFERENCES IN TEXT

Title III of the Act of March 3, 1933, referred to in subsec. (a)(3), is title III of act Mar. 3, 1933, ch. 212, 47 Stat. 1520, known as the Buy American Act, which was classified generally to sections 10a, 10b, and 10c of former Title 41, Public Contracts, and was substantially repealed and restated in chapter 83 (§8301 et seq.) of Title 41, Public Contracts, by Pub. L. 111-350, §§3, 7(b), Jan. 4, 2011, 124 Stat. 3677, 3855. For complete classification of this Act to the Code, see Short Title of 1933 Act note set out under section 101 of Title 41 and Tables. For disposition of sections of former Title 41, see Disposition Table preceding section 101 of Title 41.

AMENDMENTS

2011—Subsec. (c). Pub. L. 112-74 struck out “for a period of not more than 4 years” after “make a contract” in introductory provisions.

2004—Subsec. (a). Pub. L. 108-458 inserted subsec. heading, designated existing provisions as par. (1), inserted par. heading, and added pars. (2) and (3).

PROHIBITION ON USE OF FUNDS FOR MANUFACTURE OF DISTINCTIVE PAPER FOR CURRENCY AND SECURITIES BY FOREIGN OWNED CORPORATIONS OR OUTSIDE UNITED STATES; EXCEPTION

Pub. L. 100-440, title VI, §617(a), Sept. 22, 1988, 102 Stat. 1755, provided that: “None of the funds made available by this or any other Act with respect to any fiscal year may be used to make a contract for the manufacture of distinctive paper for United States currency and securities pursuant to section 5114 of title 31, United States Code, with any corporation or other entity owned or controlled by persons not citizens of the United States, or for the manufacture of such distinctive paper outside of the United States or its possessions. This subsection shall not apply if the Secretary of the Treasury determines that no domestic manufacturer of distinctive paper for United States currency or securities exists with which to make a contract and if the Secretary of the Treasury publishes in the Federal Register a written finding stating the basis for the determination.”

Similar provisions were contained in the following prior appropriation act:

Pub. L. 100-202, §101(m) [title VI, §622(a)], Dec. 22, 1987, 101 Stat. 1329-390, 1329-428.

§ 5115. United States currency notes

(a) The Secretary of the Treasury may issue United States currency notes. The notes—

- (1) are payable to bearer; and
- (2) shall be in a form and in denominations of at least one dollar that the Secretary prescribes.

(b) The amount of United States currency notes outstanding and in circulation—

- (1) may not be more than \$300,000,000; and
- (2) may not be held or used for a reserve.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 983.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5115(a)	31:401.	R.S. §3571.
5115(b)	31:402.	June 20, 1874, ch. 343, §6, 18 Stat. 124; Jan. 14, 1875, ch. 15, §3, 18 Stat. 296.

In the section, the words “United States currency notes” are substituted for “United States notes” for clarity and consistency in the revised title.

In subsection (a), the first sentence is added for clarity and because of the restatement. The words “shall not bear interest” are omitted because of the source provisions restated in section 5118 of the revised title.

In subsection (b), before clause (1), the words “in circulation” are substituted for “to be used as a part of the circulation medium” to eliminate unnecessary words. In clause (1), the words “the sum of” are omitted as surplus. The words “which said sum shall appear in each monthly statement of the public debt” are omitted because of the source provisions restated in section 5118 of the revised title. In clause (2), the words “and no part thereof shall” are omitted because of the restatement. The text of section 3(less 2d sentence) of the Act of January 14, 1875 (ch. 15, 18 Stat. 296), is omitted as executed.

§ 5116. Buying and selling gold and silver

(a)(1) With the approval of the President, the Secretary of the Treasury may—

- (A) buy and sell gold in the way, in amounts, at rates, and on conditions the Secretary considers most advantageous to the public interest; and

- (B) buy the gold with any direct obligations of the United States Government or United States coins and currency authorized by law, or with amounts in the Treasury not otherwise appropriated.

(2) Amounts received from the purchase of gold are an asset of the general fund of the Treasury. Amounts received from the sale of gold shall be deposited by the Secretary in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt.

(3) The Secretary shall acquire gold for the coins issued under section 5112(i) of this title by purchase of gold mined from natural deposits in the United States, or in a territory or possession of the United States, within one year after the month in which the ore from which it is derived was mined. The Secretary shall pay not more than the average world price for the gold. In the absence of available supplies of such gold at the average world price, the Secretary may use gold from reserves held by the United States to mint the coins issued under section 5112(i) of this title. The Secretary shall issue such regulations as may be necessary to carry out this paragraph.

(b)(1) The Secretary may buy silver mined from natural deposits in the United States, or in

a territory or possession of the United States, that is brought to a United States mint or assay office within one year after the month in which the ore from which it is derived was mined. The Secretary may use the coinage metal fund under section 5111(b) of this title to buy silver under this subsection.

(2) The Secretary may sell or use Government silver to mint coins, except silver transferred to stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.). The Secretary shall obtain the silver for the coins authorized under section 5112(e) of this title by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.). At such time as the silver stockpile is depleted, the Secretary shall obtain silver as described in paragraph (1) to mint coins authorized under section 5112(e). If it is not economically feasible to obtain such silver, the Secretary may obtain silver for coins authorized under section 5112(e) from other available sources. The Secretary shall not pay more than the average world price for silver under any circumstances. As used in this paragraph, the term “average world price” means the price determined by a widely recognized commodity exchange at the time the silver is obtained by the Secretary. The Secretary shall sell silver under conditions the Secretary considers appropriate for at least \$1.292929292 a fine troy ounce.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 984; Pub. L. 99-61, title II, §203, July 9, 1985, 99 Stat. 116; Pub. L. 99-185, §2(c), Dec. 17, 1985, 99 Stat. 1178; Pub. L. 100-274, §5, Mar. 31, 1988, 102 Stat. 50; Pub. L. 107-201, §3(a)(1), July 23, 2002, 116 Stat. 737.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5116(a)	31:733(words after semicolon).	R.S. §3699(words after semicolon); restated Jan. 30, 1934, ch. 6, §9, 48 Stat. 341.
	31:734.	R.S. §3700; restated Jan. 30, 1934, ch. 6, §8, 48 Stat. 341.
5116(b)(1)	31:335.	R.S. §3526; restated May 10, 1950, ch. 173, 64 Stat. 157; July 9, 1956, ch. 535, §2, 70 Stat. 518; July 23, 1965, Pub. L. 89-81, §205, 79 Stat. 256.
	31:394.	July 23, 1965, Pub. L. 89-81, §104, 79 Stat. 255.
5116(b)(2)	31:405a-1.	June 4, 1963, Pub. L. 88-36, §2, 77 Stat. 54; July 23, 1965, Pub. L. 89-81, §209, 79 Stat. 257; restated June 24, 1967, Pub. L. 90-29, §3, 81 Stat. 77.

In subsection (a)(1), the words “With the approval of the President” are applied to 31:733(words after semicolon) because of 31:822b. The words “at home or abroad” in 31:733(words after semicolon) and 734 are omitted as surplus. The words “terms and” are omitted as included in “conditions”. The text of 31:733(proviso) is omitted as superseded by the Bretton Woods Agreement Act (22 U.S.C. 286 et seq.) and sections 6 and 9 of the Act of October 19, 1976 (Pub. L. 94-564, 90 Stat. 2661), repealing 31:449 that provided for parity of the dollar on terms of gold and special drawing rights. The text of 31:734(1st sentence words after semicolon) is omitted as surplus.

In subsection (b)(1), the words “coinage metal fund” are substituted for “bullion fund” in 31:335 as being more precise and because of section 5111 of the revised title. The words “after July 23, 1965” in 31:394 are omitted as executed. The words “to procure bullion for coin-

age” and 31:335(2d-last sentences) are omitted as obsolete because the Secretary of the Treasury has authority to mint coins containing silver only under section 5112(e) of the revised title and the Secretary holds sufficient silver to mint those coins. See Sen. Rept. No. 91-1084 (1970).

In subsection (b)(2), the word “terms” is omitted as being included in “conditions”. The words “for at least” are substituted for “at a price not less than the monetary value of” to eliminate unnecessary words.

REFERENCES IN TEXT

The Strategic and Critical Materials Stock Piling Act, referred to in subsec. (b)(2), is act June 7, 1939, ch. 190, as revised generally by Pub. L. 96-41, §2, July 30, 1979, 93 Stat. 319, which is classified generally to subchapter III (§98 et seq.) of chapter 5 of Title 50, War and National Defense. For complete classification of this Act to the Code, see section 98 of Title 50 and Tables.

AMENDMENTS

2002—Subsec. (b)(2). Pub. L. 107-201 inserted after second sentence “At such time as the silver stockpile is depleted, the Secretary shall obtain silver as described in paragraph (1) to mint coins authorized under section 5112(e). If it is not economically feasible to obtain such silver, the Secretary may obtain silver for coins authorized under section 5112(e) from other available sources. The Secretary shall not pay more than the average world price for silver under any circumstances. As used in this paragraph, the term ‘average world price’ means the price determined by a widely recognized commodity exchange at the time the silver is obtained by the Secretary.”

1988—Subsec. (a)(2). Pub. L. 100-274 amended last sentence generally, substituting “shall be deposited by the Secretary in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt” for “shall be deposited in the general fund of the Treasury”.

1985—Subsec. (a)(3). Pub. L. 99-185 added par. (3). Subsec. (b)(1). Pub. L. 99-61, §203(1), (2), substituted “The Secretary may buy silver” for “The Secretary shall buy silver”, and struck out provision directing that the Secretary pay \$1.25 a fine troy ounce for silver.

Subsec. (b)(2). Pub. L. 99-61, §203(3), inserted provision directing that the Secretary obtain the silver for the coins authorized under section 5112(e) of this title by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act.

EFFECTIVE DATE OF 1985 AMENDMENTS

Amendment by Pub. L. 99-185 effective Oct. 1, 1985, except that no coins may be issued or sold under section 5112(i) of this title before Oct. 1, 1986, see section 3 of Pub. L. 99-185, set out as a note under section 5112 of this title.

Amendment by Pub. L. 99-61 effective Oct. 1, 1985, with exception as to issuance or sale of coins under section 5112(e) of this title, see section 205 of Pub. L. 99-61, set out as a note under section 5112 of this title.

REGULATIONS

Pub. L. 107-201, §3(a)(2), July 23, 2002, 116 Stat. 737, provided that: “The Secretary of the Treasury shall issue regulations to implement the amendments made by paragraph (1) [amending this section].”

CONGRESSIONAL FINDINGS CONCERNING AMERICAN EAGLE SILVER BULLION PROGRAM

Pub. L. 107-201, §2, July 23, 2002, 116 Stat. 736, provided that: “Congress finds that—

“(1) the American Eagle Silver Bullion coin leads the global market, and is the largest and most popular silver coin program in the United States;

“(2) established in 1986, the American Eagle Silver Bullion Program is the most successful silver bullion program in the world;

“(3) from fiscal year 1995 through fiscal year 2001, the American Eagle Silver Bullion Program generated—

“(A) revenues of \$264,100,000; and
 “(B) sufficient profits to significantly reduce the national debt;
 “(4) with the depletion of silver reserves in the Defense Logistic Agency’s Strategic and Critical Materials Stockpile, it is necessary for the Department of the Treasury to acquire silver from other sources in order to preserve the American Eagle Silver Bullion Program;
 “(5) with the ability to obtain silver from other sources, the United States Mint can continue the highly successful American Eagle Silver Bullion Program, exercising sound business judgment and market acquisition practices in its approach to the silver market, resulting in continuing profitability of the program;
 “(6) in 2001, silver was commercially produced in 12 States, including, [sic] Alaska, Arizona, California, Colorado, Idaho, Missouri, Montana, Nevada, New Mexico, South Dakota, Utah, and Washington;
 “(7) Nevada is the largest silver producing State in the Nation, producing—
 “(A) 17,500,000 ounces of silver in 2001; and
 “(B) 34 percent of United States silver production in 2000;
 “(8) the mining industry in Idaho is vital to the economy of the State, and the Silver Valley in northern Idaho leads the world in recorded silver production, with over 1,100,000,000 ounces of silver produced between 1884 and 2001;
 “(9) the largest, active silver producing mine in the Nation is the McCoy/Cove Mine in Nevada, which produced more than 107,000,000 ounces of silver between 1989 and 2001;
 “(10) the mining industry in Idaho—
 “(A) employs more than 3,000 people;
 “(B) contributes more than \$900,000,000 to the Idaho economy; and
 “(C) produces \$70,000,000 worth of silver per year;
 “(11) the silver mines of the Comstock lode, the premier silver producing deposit in Nevada, brought people and wealth to the region, paving the way for statehood in 1864, and giving Nevada its nickname as ‘the Silver State’;
 “(12) mines in the Silver Valley—
 “(A) represent an important part of the mining history of Idaho and the United States; and
 “(B) have served in the past as key components of the United States war effort; and
 “(13) silver has been mined in Nevada throughout its history, with every significant metal mining camp in Nevada producing some silver.”

ANNUAL REPORT ON SILVER PURCHASES IN SUPPORT OF AMERICAN EAGLE SILVER BULLION PROGRAM

Pub. L. 107-201, §3(c), July 23, 2002, 116 Stat. 737, provided that:

“(1) IN GENERAL.—The Director of the United States Mint shall prepare and submit to Congress an annual report on the purchases of silver made pursuant to this Act [amending this section and enacting provisions set out as notes under this section and sections 5101 and 5112 of this title] and the amendments made by this Act.

“(2) CONCURRENT SUBMISSION.—The report required by paragraph (1) may be incorporated into the annual report of the Director of the United States Mint on the operations of the mint and assay offices, referred to in section 1329 of title 44, United States Code.”

TERMINATION OF COINAGE METAL FUND

All assets and liabilities of Coinage Metal Fund transferred to United States Mint Public Enterprise Fund and such coinage fund to cease to exist as separate fund as its activities and functions are subsumed under and subject to United States Mint Public Enterprise Fund, see section 5136 of this title.

§ 5117. Transferring gold and gold certificates

(a) All right, title, and interest, and every claim of the Board of Governors of the Federal

Reserve System, a Federal reserve bank, and a Federal reserve agent, in and to gold is transferred to and vests in the United States Government to be held in the Treasury. Payment for the transferred gold is made by crediting equivalent amounts in dollars in accounts established in the Treasury under the 15th paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 467). Gold not in the possession of the Government shall be held in custody for the Government and delivered on the order of the Secretary of the Treasury. The Board of Governors, Federal reserve banks, and Federal reserve agents shall give instructions and take action necessary to ensure that the gold is so held and delivered.

(b) The Secretary shall issue gold certificates against gold transferred under subsection (a) of this section. The Secretary may issue gold certificates against other gold held in the Treasury. The Secretary may prescribe the form and denominations of the certificates. The amount of outstanding certificates may be not more than the value (for the purpose of issuing those certificates, of 42 and two-ninths dollars a fine troy ounce) of the gold held against gold certificates. The Secretary shall hold gold in the Treasury equal to the required dollar amount as security for gold certificates issued after January 29, 1934.

(c) With the approval of the President, the Secretary may prescribe regulations the Secretary considers necessary to carry out this section.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 984.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5117(a)	31:441(1st, last sentences).	Jan. 30, 1934, ch. 6, §2(a), 11, 48 Stat. 337, 342.
5117(b)	31:405b.	Jan. 30, 1934, ch. 6, §14(c), 48 Stat. 344; Mar. 18, 1968, Pub. L. 90-269, §12, 82 Stat. 51; re-stated Oct. 19, 1976, Pub. L. 94-564, §8, 90 Stat. 2661.
	31:408a(last proviso).	Jan. 30, 1934, ch. 6, §6(last proviso), 48 Stat. 340; Mar. 18, 1968, Pub. L. 90-269, §8, 82 Stat. 50.
5117(c)	31:441(2d sentence). 31:822b.	

In subsection (a), the words “On January 30, 1934” are omitted as executed. The word “gold” is substituted for “gold coin and gold bullion” for consistency and to omit unnecessary words. The word “transferred” is substituted for “pass” for consistency in the subsection. The words “to be held in the Treasury” are added for consistency with the source provisions restated in subsection (b) of the revised section.

In subsection (b), the first sentence is substituted for 31:441(2d sentence) for consistency. The word “issued” in 31:405b is omitted as being included in “outstanding”. The words “of 42 and two-ninths dollars a fine troy ounce)” are substituted for “at the legal standard provided in section 449 of this title on October 19, 1976” because that was the legal standard in that section on that date. The text of 31:449 was repealed by section 6 of the Bretton Woods Agreements Act. The words “The Secretary shall hold . . . in the Treasury . . . as security” are substituted for “security . . . shall be maintained” in 31:408a(last proviso) because of the source provisions restated in section 321 of the revised title. The words “gold certificates issued after January 29, 1934” are substituted for “gold certificates (including the gold certificates held in the Treasury for credits payable therein)” for clarity and because of section 5118(c)(1)(A) of the revised title.

In subsection (c), the word “regulations” is substituted for “rules and regulations”, and the word “necessary” is substituted for “necessary or proper”, to eliminate unnecessary words.

§ 5118. Gold clauses and consent to sue

(a) In this section—

(1) “gold clause” means a provision in or related to an obligation alleging to give the obligee a right to require payment in—

- (A) gold;
- (B) a particular United States coin or currency; or
- (C) United States money measured in gold or a particular United States coin or currency.

(2) “public debt obligation” means a domestic obligation issued or guaranteed by the United States Government to repay money or interest.

(b) The United States Government may not pay out any gold coin. A person lawfully holding United States coins and currency may present the coins and currency to the Secretary of the Treasury for exchange (dollar for dollar) for other United States coins and currency (other than gold and silver coins) that may be lawfully held. The Secretary shall make the exchange under regulations prescribed by the Secretary.

(c)(1) The Government withdraws its consent given to anyone to assert against the Government, its agencies, or its officers, employees, or agents, a claim—

- (A) on a gold clause public debt obligation or interest on the obligation;
- (B) for United States coins or currency; or
- (C) arising out of the surrender, requisition, seizure, or acquisition of United States coins or currency, gold, or silver involving the effect or validity of a change in the metallic content of the dollar or in a regulation about the value of money.

(2) Paragraph (1) of this subsection does not apply to a proceeding in which no claim is made for payment or credit in an amount greater than the face or nominal value in dollars of public debt obligations or United States coins or currency involved in the proceeding.

(3) Except when consent is not withdrawn under this subsection, an amount appropriated for payment on public debt obligations and for United States coins and currency may be expended only dollar for dollar.

(d)(1) In this subsection, “obligation” means any obligation (except United States currency) payable in United States money.

(2) An obligation issued containing a gold clause or governed by a gold clause is discharged on payment (dollar for dollar) in United States coin or currency that is legal tender at the time of payment. This paragraph does not apply to an obligation issued after October 27, 1977.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 985; Pub. L. 99–185, §2(d), Dec. 17, 1985, 99 Stat. 1178; Pub. L. 104–208, div. A, title II, §2609, Sept. 30, 1996, 110 Stat. 3009–475; Pub. L. 105–61, title VI, §641, Oct. 10, 1997, 111 Stat. 1318.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5118(a)	31:773d.	Aug. 27, 1935, ch. 780, 49 Stat. 938.
5118(b)	31:315b.	Jan. 30, 1934, ch. 6, §5, 48 Stat. 340.
5118(c)(1), (2).	31:773a. 31:773b.	
5118(c)(3)	31:773c.	June 5, 1933, ch. 48, §1, 48 Stat. 113.
5118(d)	31:463.	Oct. 28, 1977, Pub. L. 95–147, §4(c), 91 Stat. 1229.
	31:463(note).	

In subsection (a), before clause (1), the words “the phrase” are omitted as surplus. In clause (1), the words “declared to be against public policy by section 463 of this title” are omitted as surplus. Clause (2) is substituted for 31:773d(words after semicolon) for consistency in the revised title and to eliminate unnecessary words.

In subsection (b), the words “after January 30, 1934” in 31:315b are omitted as executed. The words “that may be lawfully held” are substituted for “which may be lawfully acquired and are legal tender for public and private debts” in 31:773a for consistency in the subsection and to eliminate unnecessary words. The words “and that the owners of the gold clause securities of the United States shall be, at their election, entitled to receive immediate payment of the stated dollar amount thereof with interest to the date of payment or to prior maturity or to prior redemption date, whichever is earlier” in section 1 of the Act of August 27, 1935 (ch. 780, 49 Stat. 938), are omitted as expired. The words “make the exchange” are substituted for “make such exchanges and payments upon presentation hereunder” to eliminate unnecessary words. The words “No gold shall after January 30, 1934, be coined” in 31:315b are omitted because of section 5112 of the revised title. The text of 31:315b(proviso) is omitted as unnecessary because of the restatement. The text of 31:315b(last sentence) is omitted as executed.

In subsection (c)(1), before clause (A), the word “Government” is substituted for “United States” for consistency in the revised title and with other titles of the United States Code. The words “to anyone” are added for clarity. The words “whether by way of suit, counterclaim, set-off, recoupment, or other affirmative action or defense in its own name or in the name of” are omitted as surplus. The word “employees” is added for consistency in the revised title and with other titles of the Code. The word “instrumentalities” is omitted as unnecessary because of section 101 of the revised title. The word “claim” is substituted for “right, privilege, or power” to eliminate unnecessary words and for consistency in the revised title and with other titles of the Code. The words “in any proceeding of any nature whatsoever” are omitted as surplus. In clause (C), the words “or demand” are omitted as surplus.

In subsection (c)(2), the words “any suit commenced prior to August 27, 1935, or which may be commenced by January 1, 1936” are omitted as executed. The words “referred to in this section” are omitted as surplus.

In subsection (c)(3), the words “may be expended” are substituted for “an amount appropriated or authorized to be expended” and “shall be available for or expended in”, and the words “dollar for dollar” are substituted for “on an equal and uniform dollar for dollar basis”, to eliminate unnecessary words.

In subsection (d)(1), the words “including every obligation of and to the United States” are omitted as surplus. The text of 31:463(b)(words after semicolon) is omitted as unnecessary because of the restatement.

AMENDMENTS

1997—Subsec. (d)(2). Pub. L. 105–61 struck out at end “This paragraph shall apply to any obligation issued on or before October 27, 1977, notwithstanding any assignment or novation of such obligation after October 27,

1977, unless all parties to the assignment or novation specifically agree to include a gold clause in the new agreement. Nothing in the preceding sentence shall be construed to affect the enforceability of a Gold Clause contained in any obligation issued after October 27, 1977 if the enforceability of that Gold Clause has been finally adjudicated before the date of enactment of the Economic Growth and Regulatory Paperwork Reduction Act of 1996.”

1996—Subsec. (d)(2). Pub. L. 104-208 inserted at end “This paragraph shall apply to any obligation issued on or before October 27, 1977, notwithstanding any assignment or novation of such obligation after October 27, 1977, unless all parties to the assignment or novation specifically agree to include a gold clause in the new agreement. Nothing in the preceding sentence shall be construed to affect the enforceability of a Gold Clause contained in any obligation issued after October 27, 1977 if the enforceability of that Gold Clause has been finally adjudicated before the date of enactment of the Economic Growth and Regulatory Paperwork Reduction Act of 1996.”

1985—Subsec.(b). Pub. L. 99-185 struck out “or deliver” after “pay out” and inserted “(other than gold and silver coins)” before “that may be lawfully held”.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99-185 effective Oct. 1, 1985, except that no coins may be issued or sold under section 5112(i) of this title before Oct. 1, 1986, see section 3 of Pub. L. 99-185, set out as a note under section 5112 of this title.

§ 5119. Redemption and cancellation of currency

(a) Except to the extent authorized in regulations the Secretary of the Treasury prescribes with the approval of the President, the Secretary may not redeem United States currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks) in gold. However, the Secretary shall redeem gold certificates owned by the Federal reserve banks at times and in amounts the Secretary decides are necessary to maintain the equal purchasing power of each kind of United States currency. When redemption in gold is authorized, the redemption may be made only in gold bullion bearing the stamp of a United States mint or assay office in an amount equal at the time of redemption to the currency presented for redemption.

(b)(1) Except as provided in subsection (c)(1) of this section, the following are public debts bearing no interest:

(A) gold certificates issued before January 30, 1934.

(B) silver certificates.

(C) notes issued under the Act of July 14, 1890 (ch. 708, 26 Stat. 289).

(D) Federal Reserve notes for which payment was made under section 4 of the Old Series Currency Adjustment Act.

(E) United States currency notes, including those issued under section 1 of the Act of February 25, 1862 (ch. 33, 12 Stat. 345), the Act of July 11, 1862 (ch. 142, 12 Stat. 532), the resolution of January 17, 1863 (P.R. 9; 12 Stat. 822), section 2 of the Act of March 3, 1863 (ch. 73, 12 Stat. 710), or section 5115 of this title.

(2) REDEMPTION, CANCELLATION, AND DESTRUCTION OF CURRENCY.—The Secretary shall—

(A) redeem any currency described in paragraph (1) from the general fund of the Treasury upon presentment to the Secretary; and

(B) cancel and destroy such currency upon redemption.

The Secretary shall not be required to reissue United States currency notes upon redemption.

(c)(1) The Secretary may determine the amount of the following United States currency that will not be presented for redemption because the currency has been destroyed or irretrievably lost:

(A) circulating notes of Federal reserve banks and national banks issued before July 1, 1929, for which the United States Government has assumed liability.

(B) outstanding currency referred to in subsection (b)(1) of this section.

(2) When the Secretary makes a determination under this subsection, the Secretary shall reduce the amount of that currency outstanding by the amount the Secretary determines will not be redeemed and credit the appropriate receipt account.

(d) To provide a historical collection of United States currency, the Secretary may withhold from cancellation and destruction and transfer to a special account one piece of each design, issue, or series of each denomination of each kind of currency (including circulating notes of Federal reserve banks and national banks) after redemption. The Secretary may make appropriate entries in Treasury accounts because of the transfers.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 985; Pub. L. 102-390, title II, § 226(b), Oct. 6, 1992, 106 Stat. 1630; Pub. L. 103-325, title VI, § 602(g)(14), Sept. 23, 1994, 108 Stat. 2294.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5119(a)	31:408a(less last proviso). 31:444(1st sentence words between 2d and 3d semicolons). 31:822b. 31:405a-3.	Jan. 30, 1934, ch. 6, §§6(less last proviso), 11, 15(1st sentence words between 2d and 3d semicolons), 48 Stat. 340, 342, 344.
5119(b)(1)	31:911. 31:915(a), (b). 31:404.	June 24, 1967, Pub. L. 90-29, §§1, 2, 81 Stat. 77. June 30, 1961, Pub. L. 87-66, §§2, 5, 6, 9, 10, 75 Stat. 146, 147.
5119(b)(2)	31:420. 31:914. 31:916.	May 31, 1878, ch. 146, 20 Stat. 87; June 30, 1961, Pub. L. 87-66, §7, 75 Stat. 147. R.S. §3580.
5119(c)(1)	31:915(c)(words before last comma).	
5119(c)(2)	31:405a-2. 31:915(c)(words after last comma).	
5119(d)	31:917.	

In subsection (a), the words “Secretary may not redeem” are substituted for “no . . . shall be redeemed” in 31:408a(less last proviso) because of the source provisions restated in section 321 of the revised title. The words “United States currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks)” are substituted for “currency of the United States” and the text of 31:444(1st sentence words between 2d and 3d semicolons) for consistency with section 5103 of this title and to eliminate unnecessary words.

In subsection (b)(1), before clause (A), the words “upon completion of the transfers and credits author-

ized and directed by section 912 of this title” in 31:915 and “and the amount of the payment credited as a public debt receipt in accordance with such section” are omitted as executed. In clause (B), the text of 31:405a-3(last sentence) and 31:915(a)(4) is consolidated. The text of 31:405a-3(1st sentence) is omitted as executed. In clauses (C) and (E), the citations in parentheses are included only for information purposes.

In subsection (b)(2), the words “cancel and destroy” are substituted for “retired” in 31:914 for consistency in the revised section. The words “paragraph (1) of this subsection” are substituted for “Any currency the funds for the redemption or security of which have been transferred pursuant to the provisions of section 912 of this title, and any Federal Reserve notes as to which payment has been made under section 913 of this title” because of the restatement. The words “presented to the Secretary” are substituted for “presentation at the Treasury” because of the source provisions restated in section 321(c) of the revised title. The text of 31:916 is omitted as unnecessary because of the restatement. The text of 31:404 and 31:420 is omitted as superseded by the source provisions restated in this subsection and subsection (c). The words “All acts and parts of acts in conflict herewith are hereby repealed” in the Act of May 31, 1878 (ch. 146, 20 Stat. 87), are omitted as executed.

In subsection (c)(2), the words “When the Secretary makes a determination under this subsection” are added because of the restatement. The words “on the books of the Treasury” are omitted as surplus. The text of 31:405(e)(2)(1st sentence) is omitted as superseded by the source provisions restated in subsection (b).

In subsection (d), the word “paper” is omitted as surplus. The words “(including circulating notes of Federal Reserve banks and national banks)” are substituted for “including bank notes” for consistency in the section. The words “heretofore or hereafter issued” are omitted as surplus.

REFERENCES IN TEXT

Act of July 14, 1890, ch. 708, 26 Stat. 289, referred to in subsec. (b)(1)(C), which was known as the Sherman Purchase of Silver Act of July 14, 1890, was classified to sections 408, 410, 412, and 453 of former Title 31, and sections 122 and 145 of Title 12, Banks and Banking, and was repealed by Pub. L. 97-258, §5(b), Sept. 13, 1982, 96 Stat. 1069.

Section 4 of the Old Series Currency Adjustment Act, referred to in subsec. (b)(1)(D), is section 4 of Pub. L. 87-66, June 30, 1961, 75 Stat. 146, which was classified to section 913 of former Title 31, and was repealed by Pub. L. 97-258, §5(b), Sept. 13, 1982, 96 Stat. 1079.

Acts February 25, 1862, July 11, 1862, and March 3, 1863, and resolution January 17, 1863, referred to in subsec. (b)(1)(E), are acts Feb. 25, 1862, ch. 33, 12 Stat. 345, July 11, 1862, ch. 142, 12 Stat. 532, and Mar. 3, 1863, ch. 73, 12 Stat. 709, and resolution Jan. 17, 1863, 12 Stat. 822, respectively, which are not classified to the Code.

AMENDMENTS

1994—Subsec. (b)(2). Pub. L. 103-325 inserted concluding provisions.

1992—Subsec. (b)(2). Pub. L. 102-390 amended par. (2) generally. Prior to amendment, par. (2) read as follows: “The Secretary shall redeem from the general fund of the Treasury and cancel and destroy currency referred to in paragraph (1) of this subsection when the currency is presented to the Secretary.”

§ 5120. Obsolete, mutilated, and worn coins and currency

(a)(1) The Secretary of the Treasury shall melt obsolete and worn United States coins withdrawn from circulation. The Secretary may use the metal from melting the coins for reminting or may sell the metal. The Secretary shall ac-

count for the following in the coinage metal fund under section 5111(b) of this title:

(A) obsolete and worn coins and the metal from melting the coins.

(B) proceeds from the sale of the metal.

(C) losses incurred in the sale of the metal.

(D) losses incurred because of the difference between the face value of the coins melted and the coins minted from the metal.

(2) The Secretary shall reimburse the coinage metal fund for losses under paragraph (1)(C) and (D) of this subsection out of amounts in the coinage profit fund under section 5111(b) of this title.

(b) The Secretary shall—

(1) cancel and destroy (by a secure process) obsolete, mutilated, and worn United States currency withdrawn from circulation; and

(2) dispose of the residue of the currency and notes.

(c) The Comptroller General shall audit the cancellation and destruction of United States currency and the accounting of the cancellation and destruction. Records the Comptroller General considers necessary to make an effective audit easier shall be made available to the Comptroller General.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 986.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5120(a)	31:317c.	Dec. 18, 1942, ch. 767, §3, 56 Stat. 1065; July 23, 1965, Pub. L. 89-81, §203(a), 79 Stat. 256.
5120(b)	31:421. 31:422.	R.S. §3581. June 23, 1874, ch. 455, §1(3d par. under heading “National Currency”), 18 Stat. 206.
5120(c)	31:49a.	May 20, 1966, Pub. L. 89-427, §5, 80 Stat. 161.

In subsection (a)(1), before clause (A), the word “obsolete” is substituted for “uncurrent” as being more precise. The words “withdrawn from circulation” are substituted for “received in the Treasury” for clarity. The words “heretofore or hereafter issued” are omitted as surplus. The words “metal from melting the coins” are substituted for “the resulting metal” because of the restatement. The word “reminting” is substituted for “coinage” for consistency in the revised title. The word “material” is omitted as being included in “metal”. The words “The Secretary shall account” are substituted for “shall be accounted for by entries” because of the source provisions restated in section 321 of the revised title. In clause (D), the word “face” is substituted for “nominal or face” to eliminate unnecessary words. The words “coins minted from the metal” are substituted for “the amount the same will produce in new coin” for clarity.

In subsection (a)(2), the words “The Secretary shall reimburse” are substituted for “fund shall be reimbursed” because of the source provisions restated in section 321 of the revised title. The text of 31:317c(proviso) is omitted as obsolete because the statutory limit on the coinage metal fund was removed by the restatement of section 3528 of the Revised Statutes by section 206(a) of the Coinage Act of 1965 (Pub. L. 89-81, 79 Stat. 256).

In subsection (b), before clause (1), the words “The Secretary shall” are substituted for “shall be destroyed in such manner and under such regulations as the Secretary of the Treasury may prescribe” in 31:421 because of the source provisions restated in section 321 of the revised title. In clause (1), the words “cancel and de-

stroy" are substituted for "shall be destroyed" to conform to subsection (c) and section 5118(c) and (e) of the revised title. The words "(by a secure process)" are substituted for "may be destroyed by maceration instead of burning to ashes" in 31:422 to eliminate unnecessary words and because of the source provisions restated in section 321 of the revised title. The words "obsolete, mutilated, and worn . . . withdrawn from circulation" are substituted for "which by law are required to be taken up, and not reissued, when taken up" in 31:421 for consistency with subsection (a) and 12:124. The words "United States currency" are substituted for "all other notes" in 31:421 and "All national bank notes . . . and other obligations of the United States" for consistency in the revised title. The words "Mutilated United States notes, when replaced according to law" are omitted as superseded by the source provisions restated in section 5119(b) of the revised title. The text of the 3d paragraph(words before the first semicolon and between the 2d and last semicolons) under the heading "National Currency" in section 1 of the Act of June 23, 1874 (ch. 455, 18 Stat. 206), is omitted as executed. In clause (2), the words "dispose of the residue of the currency and notes" are substituted for "The pulp from such macerated issue shall be disposed of only under the direction of the Secretary of the Treasury" in 31:422 to eliminate unnecessary words and for consistency in the revised title.

In subsection (c), the word "currency" is substituted for "currency . . . unfit for circulation" to eliminate unnecessary words. The words "regardless of who is responsible for, and regardless of who performs, such cancellation, destruction, or accounting" are omitted as unnecessary because of the restatement. The word "record" is substituted for "books, documents, papers, and records", and the words "make . . . easier" are substituted for "facilitate", for consistency in the revised title and with other titles of the United States Code.

TERMINATION OF COINAGE PROFIT FUND AND COINAGE METAL FUND

All assets and liabilities of Coinage Profit Fund and Coinage Metal Fund transferred to United States Mint Public Enterprise Fund and both coinage funds to cease to exist as separate funds as their activities and functions are subsumed under and subject to United States Mint Public Enterprise Fund, see section 5136 of this title.

THRESHOLD FOR REQUIRING TAXPAYER IDENTIFICATION NUMBER

Pub. L. 112-74, div. C, title I, §117, Dec. 23, 2011, 125 Stat. 891, provided that: "In the current fiscal year and each fiscal year hereafter, any person who forwards to the Bureau of Engraving and Printing a mutilated paper currency claim equal to or exceeding \$10,000 for redemption will be required to provide the Bureau their taxpayer identification number."

§ 5121. Refining, assaying, and valuation of bullion

- (a) The Secretary of the Treasury shall—
 - (1) melt and refine bullion;
 - (2) as required, assay coins, metal, and bullion;
 - (3) cast gold and silver bullion deposits into bars; and
 - (4) cast alloys into bars for minting coins.

(b) A person owning gold or silver bullion may deposit the bullion with the Secretary to be cast into fine, standard fineness, or unrefined bars weighing at least 5 troy ounces. When practicable, the Secretary shall weigh the bullion in front of the depositor. The Secretary shall give the depositor a receipt for the bullion stating

the description and weight of the bullion. When the Secretary has to melt the bullion or remove base metals before the value of the bullion can be determined, the weight is the weight after the melting or removal of the metals. The Secretary may refuse a deposit of gold bullion if the deposit is less than \$100 in value or the bullion is so base that it is unsuitable for the operations of the Bureau of the Mint.

(c) When the gold and silver are combined in bullion that is deposited and either the gold or silver is so little that it cannot be separated economically, the Secretary may not pay the depositor for the gold or silver that cannot be separated.

(d)(1) Under conditions prescribed by the Secretary, a person may exchange unrefined bullion for fine bars when—

- (A) gold and silver are combined in the bullion in proportions that cannot be economically refined; or
- (B) necessary supplies of acids cannot be procured at reasonable rates.

(2) The charge for refining in an exchange under this subsection may be not more than the charge imposed in an exchange of unrefined bullion for refined bullion.

(e) The Secretary shall prepare bars for payment of deposits. The Secretary shall stamp each bar with a designation of the weight and fineness of the bar and a symbol the Secretary considers suitable to prevent fraudulent imitation of the bar.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 987.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5121(a)	31:274. 31:277. 31:330. 31:343. 31:344.	R.S. §3508; Aug. 23, 1912, ch. 350, §1(last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384. R.S. §3507. R.S. §3522. R.S. §3530; Aug. 23, 1912, ch. 350, §1(last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384. R.S. §3531; Aug. 23, 1912, ch. 350, §1(last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384.
5121(b)	31:325(words before 4th comma and after last comma). 31:327(1st sentence). 31:328(1st sentence). 31:329.	R.S. §3518. R.S. §3519. R.S. §3520; Mar. 3, 1887, ch. 396, §3, 24 Stat. 635. R.S. §3521; Aug. 23, 1912, ch. 350, §1(last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384.
5121(c)	31:327(last sentence). 31:328(last sentence).	
5121(d)	31:360. 31:362.	R.S. §3546. June 19, 1878, ch. 329, §1(2d sentence words after last semicolon on p. 191), 20 Stat. 191.
5121(e)	31:325(words between 4th and last commas). 31:347.	R.S. §3534; Aug. 23, 1912, ch. 350, §1(last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384.

In the section, the word "Secretary" is substituted for "superintendent", "superintendent of melting and refining department", "assayer", "Director of the Mint", and "Director of the Mint, with the approval of the Secretary of the Treasury" because of the source provisions restated in section 321(c) of the revised title.

In subsection (a), clause (1) is added to provide a complete list of the duties and powers of the Secretary and for consistency with section 5131 of the revised title. In clause (2), the words "as required" are substituted for "required by the operations of the Bureau of the Mint" and "whenever required by the superintendent" in 31:277 to eliminate unnecessary words. The text of 31:330 is omitted as superseded by the source provisions restated in section 321(c) of the revised title. In clause (3), the word "bars" is substituted for "bars conformable in all respects to the law" in 31:274 to eliminate unnecessary words. In clause (4), the word "alloys" is substituted for "standard silver or gold, and alloys for minor" in 31:274, and the text of 31:343(last sentence) is omitted, because coins issued by the Secretary under this chapter are composed of alloys. The words "minting coins" are substituted for "coinage" for consistency in the revised chapter. The words "suitable for the superintendent of coining department, from the metals legally delivered to him for that purpose" in 31:274 and the text of 31:274(last sentence) and 31:343(1st, 2d sentences) are omitted as superseded by the source provisions restated in section 321(c) of the revised title. The text of 31:344(last sentence) is omitted as unnecessary because of the restatement of the source provisions in sections 5112 and 5113 of the revised title.

In subsections (b) and (d), the word "unrefined" is substituted for "unparted" for consistency in the revised chapter.

In subsection (b), the words "At the option of the owner" and "as he may prefer" in 31:325 and "for his benefit" in 31:327 are omitted as unnecessary because of the restatement. The words "weighing at least" are substituted for "and no such bars shall be issued of a less weight than" in 31:325 to eliminate unnecessary words. The word "troy" is added for clarity. The words "into coin" in section 3519 of the Revised Statutes are omitted because the coinage of gold was discontinued by 31:315b. The text of 31:329(last sentence) is omitted because of the source provisions restated in section 321(c) of the revised title. The words "and no deposit of silver for other coinage shall be received" in 31:328(1st sentence) are omitted as unnecessary because of the restatement.

In subsection (c), the word "economically" is substituted for "advantageously" in 31:327(last sentence) for consistency in the section. The text of 31:328(last sentence) is omitted as unnecessary because of the source provisions restated in section 5121(a) of the revised title.

In subsection (d)(1), before clause (A), the words "at any of the mints" in 31:360(1st sentence) are omitted as superseded by the source provisions restated in section 321(c) of the revised title. The text of 31:360(2d sentence) is omitted as unnecessary because of the source provisions restated in section 5121(a) of the revised title.

In subsection (d)(2), the words "in an exchange under this subsection" are added for clarity. The word "refining" is substituted for "refining or parting" for consistency in the revised chapter.

In subsection (e), the word "suitable" is substituted for "expedient" in 31:325(words between 4th and last commas) for clarity. The words "but the fineness thereof shall be ascertained and" in 31:347 are omitted as unnecessary because of the source provisions restated in section 5121(a) of the revised title.

POSSESSION OF GOLD COINS AND BULLION

The possession of gold coins and bullion was prohibited except under Government license by Ex. Ord. No. 6260, eff. Aug. 28, 1933. That prohibition was revoked by Ex. Ord. No. 11825, Dec. 31, 1974, 40 F.R. 1003, eff. Dec. 31, 1974. See notes set out under section 95a of Title 12, Banks and Banking.

§ 5122. Payment to depositors

(a) The Secretary of the Treasury shall determine the fineness, weight, and value of each deposit and bar under section 5121 of this title. The value and the amount of charges under subsection (b) of this section shall be based on the fineness and weight of the bullion. The Secretary shall give the depositor a statement of the charges and the net amount of the deposit to be paid in money or bars of the same species of bullion as that deposited.

(b) The Secretary shall impose a charge equal to the average cost of material, labor, waste, and use of machinery of a United States mint or assay office for—

- (1) melting and refining bullion;
- (2) using copper as an alloy when bullion deposited is above standard;
- (3) separating gold and silver combined in the bullion; and
- (4) preparing bars.

(c) The Secretary shall pay to the depositor or to a person designated by the depositor money or bars equivalent to the bullion deposited as soon as practicable after the value of the deposit is determined. If demanded, the Secretary shall pay depositors in the order in which the bullion is deposited with the Secretary. However, when there is an unavoidable delay in determining the value of a deposit, the Secretary shall pay subsequent depositors. When practicable and convenient, the Secretary shall pay depositors in the denominations requested by the depositor. After the depositor is paid, the bullion is the property of the United States Government.

(d) To allow the Secretary to pay depositors with as little delay as possible, the Secretary shall keep in the mints and assay offices, when possible, money and bullion the Secretary decides are convenient and necessary.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 987.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5122(a)	31:273(last sentence). 31:331. 31:334. 31:332.	R.S. §3506(last sentence). R.S. §3523. R.S. §3525. R.S. §3524; Jan. 14, 1875, ch. 15, §2(words before comma), 18 Stat. 296; Mar. 1, 1881, ch. 95, 21 Stat. 374; Mar. 3, 1887, ch. 396, §3, 24 Stat. 635.
5122(b)	31:357. 31:358(2d sentence).	R.S. §3544. R.S. §3545; June 19, 1878, ch. 329, §1(last par. 1st sentence words before 1st semicolon under heading "Mint at Denver, Colorado"), 20 Stat. 191.
5122(d)	31:358(1st, last sentences).	

In subsection (a), the words "Secretary of the Treasury" are substituted for "he" in 31:273(last sentence) because of the source provisions restated in section 321 of the revised title. The words "fineness, weight, and value of each deposit and bar" and "The value and the amount of charges . . . shall be based on the fineness and weight of the bullion" are substituted for "From the report of the assayer and the weight of the bullion" for clarity and because of the restatement. The words "or deductions, if any" are omitted as being included in "charges". The word "money" is substituted for "in coins" for clarity. The text of 31:331 and 334 is omitted as unnecessary because of the restatement. The text of

31:273(last sentence words after 7th comma) is omitted because of the source provisions restated in section 321 of the revised title.

In subsection (b), the words “Secretary shall impose a charge” are substituted for “shall be fixed, from time to time, by the director, with the concurrence of the Secretary of the Treasury” because of the source provisions restated in section 321(c) of the revised title. The words “for toughening when metals are contained in it which render it unfit for coinage” are omitted as obsolete because the Secretary of the Treasury has authority to mint coins containing silver only under section 5112(e) of the revised title and the Secretary holds sufficient silver to mint those coins. See Sen. Rept. No. 91-1084 (1970).

In subsection (c), the words “person designated by the depositor” are substituted for “his order” for clarity. The words “an unavoidable delay in determining the value of a deposit” are substituted for “delay in manipulating a refractory deposit, or for any other unavoidable cause” in 31:357 for clarity.

In subsection (d), the words “the Secretary to pay depositors” are substituted for “the several mints and assay offices of the United States to make returns to depositors” because of the source provisions restated in section 321(c) of the revised title. The words “when the state of the Treasury will admit thereof” are omitted as surplus. The words “under such rules and regulations as may be prescribed by the said Secretary” are omitted as unnecessary because of section 321(b) of the revised title. The text of 31:358(last sentence) is omitted as surplus.

SUBCHAPTER III—UNITED STATES MINT

AMENDMENTS

1992—Pub. L. 102-390, title II, § 225(b)(5), Oct. 6, 1992, 106 Stat. 1630, substituted “UNITED STATES MINT” for “BUREAU OF THE MINT” in subchapter heading.

§ 5131. Organization

(a) The United States Mint has—

(1) a United States mint at Philadelphia, Pennsylvania.

(2) a United States mint at Denver, Colorado.

(3) a United States mint at West Point, New York.

(4) a United States mint at San Francisco, California.

(b) The Secretary of the Treasury shall carry out duties and powers related to refining and assaying bullion, minting coins, striking medals, and numismatic items at the mints. However, until the Secretary decides that the mints are adequate for minting and striking an ample supply of coins and medals, the Secretary may use any facility of the United States Mint to mint coins and strike medals and to store coins and medals.

(c) Laws on mints, officers and employees of mints, and punishment of offenses related to mints and minting coins apply to assay offices, as applicable.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 988; Pub. L. 100-274, § 2(a)-(c)(2), Mar. 31, 1988, 102 Stat. 48; Pub. L. 102-390, title II, §§ 224, 225(b)(3), (4), Oct. 6, 1992, 106 Stat. 1629; Pub. L. 104-208, div. A, title I, § 101(f) [title V, §§ 503, 522], Sept. 30, 1996, 110 Stat. 3009-314, 3009-344, 3009-347; Pub. L. 104-329, title III, § 304, Oct. 20, 1996, 110 Stat. 4015.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5131(a)	31:251(1st sentence words after 1st comma). 31:261.	R.S. § 343(1st sentence words after 1st comma). R.S. § 349; restated July 11, 1962, Pub. L. 87-534, § 1, 76 Stat. 155.
5131(b)	31:278. 31:283(1st sentence). 31:324f. 31:361(1st sentence words before 1st comma).	R.S. § 3553. R.S. § 3558(1st sentence); July 11, 1962, Pub. L. 87-534, § 2, 76 Stat. 155; restated July 23, 1965, Pub. L. 89-81, § 201, 79 Stat. 256. Oct. 18, 1973, Pub. L. 93-127, § 3, 87 Stat. 456. June 19, 1878, ch. 329, § 1(1st sentence on p. 191), 20 Stat. 191. July 7, 1898, ch. 571(7th par. 1st sentence words before 1st comma under heading “Mints and Assay Offices”), 30 Stat. 661.
5131(c)	31:263. 31:279. 31:281.	R.S. § 349; Aug. 23, 1912, ch. 350, § 1(last par. words before 7th comma under heading “Assay Office at Salt Lake City, Utah”), 37 Stat. 384. R.S. § 3554; Aug. 23, 1912, ch. 350, § 1(last par. words before 7th comma under heading “Assay Office at Salt Lake City, Utah”), 37 Stat. 384. R.S. § 3555; Aug. 23, 1912, ch. 350, § 1(last par. words before 7th comma under heading “Assay Office at Salt Lake City, Utah”), 37 Stat. 384; June 6, 1972, Pub. L. 92-310, § 231(g), 86 Stat. 210.
5131(d)	31:287.	R.S. § 3562.
5131(e)	31:292.	Aug. 20, 1963, Pub. L. 88-102, § 2, 77 Stat. 129.

In subsection (a), the words “The Bureau of the Mint has” are substituted for “embracing in its organization and under its control all mints . . . and all assay offices” in 31:251(1st sentence words after 1st comma) because of the restatement and to eliminate unnecessary words. The words “for the manufacture of coin . . . for the stamping of bars, which have been, or which may be, authorized by law” are omitted as superseded by the source provisions restated in subsection (b).

In subsection (b), the words “The Secretary of the Treasury shall carry out duties and powers” are added because of the source provisions restated in section 321 of the revised title. The words “related to refining and assaying bullion, minting coins, striking medals, and numismatic items at the mints and assay offices” are substituted for 31:278(1st sentence words before comma), 283(1st-26th words), and 361(1st sentence words before 1st comma) to eliminate unnecessary words and for consistency with the source provisions restated in sections 5111(a)(1)-(3) and 5120(a) of the revised title. The words “and not coin” in 31:278 are omitted as unnecessary because of the restatement. The words “and no metals shall be purchased for minor coinage” are omitted as superseded by section 5111(b) of the revised title. The text of 31:278(2d. last sentences) is omitted as obsolete because the Secretary of the Treasury has authority to mint coins containing silver only under section 5112(e) of the revised title and the Secretary holds sufficient silver to mint those coins. See Sen. Rept. No. 91-1084 (1970). The words “except that until the Secretary of the Treasury determines that the mints of the United States are adequate for the production of ample supplies of coins, its facilities may be used for the production of coins” in 31:283(1st sentence) are omitted as superseded by the source provisions restated in the subsection. The words “striking” and “strike” are added for consistency with section 5111 of the revised title.

In subsection (c), the text of 31:281(words before semicolon) is omitted as superseded by the source provisions restated in section 321 of the revised title, and 31:281(words after semicolon) is omitted as superseded by the source provisions restated in subsection (d) and by 5:ch. 35, subch. II.

In subsection (e), the words “the mint at Philadelphia” are substituted for “any building constructed pursuant to this subchapter” because that is the building that was constructed under the subchapter.

AMENDMENTS

1996—Subsecs. (c), (d). Pub. L. 104-208, § 101(f) [title V, §§ 503, 522], and Pub. L. 104-329, amended section identically, redesignating subsec. (d) as (c) and striking out former subsec. (c) which read as follows: “Each mint has a superintendent and an assayer appointed by the President, by and with the advice and consent of the Senate. The mint at Philadelphia has an engraver appointed by the President, by and with the advice and consent of the Senate.”

1992—Subsec. (a). Pub. L. 102-390, § 225(b)(3), substituted “United States Mint” for “Bureau of the Mint” in introductory provisions.

Subsec. (b). Pub. L. 102-390, § 225(b)(4), substituted “United States Mint” for “Bureau”.

Subsec. (e). Pub. L. 102-390, § 224, struck out subsec. (e) which read as follows: “The Secretary shall operate, maintain, and have custody of, the mint at Philadelphia. However, the Administrator of General Services shall make repairs and improvements to the mint.”

1988—Subsec. (a)(3). Pub. L. 100-274, § 2(b), substituted “mint at West Point, New York” for “assay office at New York, New York”.

Subsec. (a)(4). Pub. L. 100-274, § 2(a), substituted “mint” for “assay office”.

Subsec. (b). Pub. L. 100-274, § 2(c)(1), struck out “and assay offices, except that only bars may be made at the assay offices” before period at end of first sentence.

Subsec. (c). Pub. L. 100-274, § 2(c)(2), substituted “Each mint has” for “Each mint and the assay office at New York have”.

AUTHORITY OF SPECIAL POLICE OFFICERS

For authority of special police officers of United States Mint over buildings and land under control and in vicinity of the Mint and to protection in transit of bullion, coins, dies, and other property and assets of the Mint, see section 101(f) [title V, § 517(2), (3)] of Pub. L. 104-208, set out as a note under section 5141 of this title.

§ 5132. Administrative

(a)(1) Except as provided in this chapter, the Secretary of the Treasury shall deposit in the Treasury as miscellaneous receipts amounts the Secretary receives from the operations of the United States Mint. Expenditures made from appropriated funds which are subsequently determined to be properly chargeable to the Numismatic Public Enterprise Fund established by section 5134 shall be reimbursed by such Fund to the appropriation. The Secretary shall annually sell to the public, directly and by mail, sets of uncirculated and proof coins minted under paragraphs (1) through (6) of section 5112(a) of this title, and shall solicit such sales through the use of the customer list of the United States Mint. Except with respect to amounts deposited in the Numismatic Public Enterprise Fund in accordance with section 5134, the Secretary may not use amounts the Secretary receives from profits on minting coins or from charges on gold or silver bullion under section 5122 to pay officers and employees.

(2)(A) In addition to the coins described in paragraph (1), the Secretary shall sell annually to the public directly and by mail, sets of proof coins minted under paragraphs (1) through (6) of section 5112(a).

(B) Notwithstanding any other provision of law, for purposes of this paragraph—

(i) the coins described in paragraphs (2) through (4) of section 5112(a) shall be made of an alloy of 90 percent silver and 10 percent copper; and

(ii) all coins minted under this paragraph shall have a mint mark indicating the place of manufacture.

(C) All coins minted under this paragraph shall be considered to be—

(i) numismatic items for purposes of paragraph (1) and section 5111(a)(3); and

(ii) legal tender, as provided in section 5103.

(D) The Secretary shall obtain silver for coins minted under this paragraph by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.). At such time as the silver stockpile is depleted, the Secretary shall obtain silver for such coins by purchase of silver mined from natural deposits in the United States or in a territory or possession of the United States not more than 1 year following the month in which the ore from which it is derived was mined. The Secretary shall pay not more than the average world price for such silver. The Secretary may issue such regulations as may be necessary to carry out this subparagraph.

(3) Not more than \$54,208,000 may be appropriated to the Secretary for the fiscal year ending on September 30, 1993, to pay costs of the mints. Not more than \$965,000 of amounts appropriated pursuant to the preceding sentence shall remain available until expended for research and development.

(b) To the extent the Secretary decides is necessary, the Secretary may use amounts received from depositors for refining bullion and the proceeds from the sale of byproducts (including spent acids from surplus bullion recovered in refining processes) to pay the costs of refining the bullion (including labor, material, waste, and loss on the sale of sweeps). The Secretary may not use amounts appropriated for the mints to pay those costs.

(c) The Secretary shall make an annual report at the end of each fiscal year on the operation of the United States Mint.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 988; Pub. L. 97-452, § 1(21), Jan. 12, 1983, 96 Stat. 2477; Pub. L. 98-151, § 123, Nov. 14, 1983, 97 Stat. 979; Pub. L. 98-216, § 1(7), Feb. 14, 1984, 98 Stat. 4; Pub. L. 99-61, title II, § 204, July 9, 1985, 99 Stat. 116; Pub. L. 99-185, § 2(e), Dec. 17, 1985, 99 Stat. 1178; Pub. L. 100-274, §§ 1, 2(c)(3), Mar. 31, 1988, 102 Stat. 48; Pub. L. 101-585, § 2, Nov. 15, 1990, 104 Stat. 2874; Pub. L. 102-390, title II, §§ 211, 221(c)(1), 225(b)(3), (4), Oct. 6, 1992, 106 Stat. 1624, 1628, 1629; Pub. L. 106-445, § 2(a), Nov. 6, 2000, 114 Stat. 1931.)

HISTORICAL AND REVISION NOTES
1982 ACT

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5132(a)	31:273(1st, 2d sentences). 31:369.	R.S. § 3506(1st, 2d sentences). R.S. § 3552; restated May 10, 1950, ch. 172, 64 Stat. 157; Sept. 5, 1962, Pub. L. 87-643, § 2. 76 Stat. 440; Aug. 13, 1981, Pub. L. 97-35, § 382(b)(1), 95 Stat. 432.

HISTORICAL AND REVISION NOTES—CONTINUED
1982 ACT

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5132(b)	31:361(1st sentence words after 1st comma, last sentence).	June 19, 1878, ch. 329, §1(2d sentence words before last semicolon on p. 191), 20 Stat. 191. July 7, 1898, ch. 571(7th par. 1st sentence words after 1st comma, last sentence under heading "Mints and Assay Offices"), 30 Stat. 661. R.S. §345.
5132(c)	31:253.	

In subsection (a)(1), the words "Secretary of the Treasury shall deposit in the Treasury as miscellaneous receipts" are substituted for "shall . . . be covered into the Treasury" in 31:369 because of the source provisions restated in section 321(c) of the revised title. The words "amounts the Secretary receives from the operations of the Bureau of the Mint" are substituted for "The money arising from all charges and deductions on and from gold and silver bullion and from all other sources" for clarity and to eliminate unnecessary words. The words "amounts from" are substituted for "money arising from the manufacture and sale of" to eliminate unnecessary words. The words "numismatic items" are substituted for "medals, proof coins, and uncirculated coins" for consistency with section 5111(a)(3) of the revised title. The words "minting coins" are substituted for "silver or minor coinage" for consistency with section 5112 of the revised title. The words "made by law" are omitted as surplus. The words "on estimates furnished by the Secretary of the Treasury" are omitted because of section 1108 of the revised title. The text of 31:273(1st, 2d sentences) is omitted because of section 321 of the revised title and the other source provisions restated in this chapter.

In subsection (a)(2), the words "ending September 30" are added for clarity and consistency in the revised title. The words "to pay costs" are substituted for "for all expenditures (salaries and expenses)" for consistency in the revised title and to eliminate unnecessary words. The words "not herein otherwise provided for" are omitted as surplus.

In subsection (b), the word "refining" is substituted for "parting and refining" for consistency in the revised chapter. The words "mints and assay offices" are substituted for "coinage mints and assay office at New York" because of the source provisions restated in section 5131(b) of the revised title. The words "pursuant to law" are omitted as surplus.

In subsection (c), the text of 31:253(less 18th-38th words) is omitted as superseded by the source provisions restated in section 321(c) of the revised title.

1983 ACT

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5132(a)(2)	31 App.:369.	Sept. 8, 1982, Pub. L. 97-253, §202, 96 Stat. 790.

1984 ACT

This is necessary because the language was restated by section 382(h)(1) of the Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97-35, 95 Stat. 432) but inadvertently codified as 31:5132(a)(1) (last sentence) by section 1 of the Act of September 13, 1982 (Pub. L. 97-258, 96 Stat. 989.)

REFERENCES IN TEXT

The Strategic and Critical Materials Stock Piling Act, referred to in subsec. (a)(2)(D), is act June 7, 1939, ch. 190, as revised generally by Pub. L. 96-41, §2, July 30, 1979, 93 Stat. 319, which is classified generally to subchapter III (§98 et seq.) of chapter 5 of Title 50, War and National Defense. For complete classification of this Act to the Code, see section 98 of Title 50 and Tables.

AMENDMENTS

2000—Subsec. (a)(2)(B)(i). Pub. L. 106-445 substituted "paragraphs (2)" for "paragraphs (1)".

1992—Subsec. (a)(1). Pub. L. 102-390, §225(b)(3), substituted "United States Mint" for "Bureau of the Mint" in two places.

Pub. L. 102-390, §221(c)(1)(A), amended second sentence generally. Prior to amendment, second sentence read as follows: "However, amounts from numismatic items shall be reimbursed to the current appropriation used to pay the cost of preparing and selling the items."

Pub. L. 102-390, §221(c)(1)(B), amended last sentence generally. Prior to amendment, last sentence read as follows: "The Secretary may not use amounts the Secretary receives from profits on minting coins or from charges on gold or silver bullion under section 5122 of this title to pay officers and employees."

Subsec. (a)(3) to (5). Pub. L. 102-390, §211, which directed the substitution of "\$54,208,000" for "\$46,511,000" and "1993" for "1988" in par. (2), and the striking out of pars. (3) and (4), was executed by making the substitution in par. (3) and striking out pars. (4) and (5) to reflect the probable intent of Congress and the intervening amendment by Pub. L. 101-585 redesignating pars. (2) to (4) as (3) to (5). See 1990 Amendment note below. Prior to being struck out, par. (4) provided that not more than \$75,000 be expended for purpose of hosting International Mint Directors' Conference in the United States in 1988, and par. (5) authorized Director of the Mint to collect from participants at Conference reasonable fees and assessments in connection with Conference, administer such amounts, and spend such amounts to pay expenses incurred in connection with Conference.

Subsec. (c). Pub. L. 102-390, §225(b)(4), substituted "United States Mint" for "Bureau".

1990—Subsec. (a)(2) to (5). Pub. L. 101-585 added par. (2), redesignated former pars. (2) to (4) as (3) to (5), respectively, and substituted "(3)" for "(2)" in par. (4).

1988—Subsec. (a)(2) to (4). Pub. L. 100-274, §1, added pars. (2) to (4) and struck out former par. (2) which read as follows: "Not more than \$50,165,000 may be appropriated to the Secretary for the fiscal year ending September 30, 1983, to pay costs of the mints and assay offices."

Subsec. (b). Pub. L. 100-274, §2(c)(3), struck out "and assay offices" after "amounts appropriated for the mints" in last sentence.

1985—Subsec. (a)(1). Pub. L. 99-185 inserted "paragraphs (1) through (6) of" before "section 5112(a) of this title".

Pub. L. 99-61 inserted "minted under section 5112(a) of this title" after "proof coins".

1984—Subsec. (a)(1). Pub. L. 98-216 struck out provision requiring the Secretary to pay the costs of the mints and assay offices not provided for in this subsection out of appropriations.

1983—Subsec. (a)(1). Pub. L. 98-151 inserted provisions relating to authority of Secretary to sell sets of uncirculated and proof coins and solicitation of such sales through the customer lists of the Bureau of the Mint.

Subsec. (a)(2). Pub. L. 97-452 substituted "\$50,165,000" for "\$54,706,000", and "1983" for "1982".

EFFECTIVE DATE OF 1992 AMENDMENT

Section 221(e) of Pub. L. 102-390 provided that: "The amendments made by this section [enacting section 5134 of this title, amending this section, amending and repealing provisions set out as notes under section 5112 of this title] shall apply with respect to fiscal years beginning after fiscal year 1992."

EFFECTIVE DATE OF 1985 AMENDMENTS

Amendment by Pub. L. 99-185 effective Oct. 1, 1985, except that no coins may be issued or sold under section 5112(i) of this title before Oct. 1, 1986, see section 3 of Pub. L. 99-185, set out as a note under section 5112 of this title.

Amendment by Pub. L. 99-61 effective Oct. 1, 1985, with exception as to issuance or sale of coins under section 5112(e) of this title, see section 205 of Pub. L. 99-61, set out as a note under section 5112 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-216 effective Sept. 13, 1982, see section 4(c) of Pub. L. 98-216, set out as a note under section 490 of Title 18, Crimes and Criminal Procedure.

TERMINATION OF NUMISMATIC PUBLIC ENTERPRISE FUND

All assets and liabilities of Numismatic Public Enterprise Fund transferred to United States Mint Public Enterprise Fund and Numismatic Public Enterprise Fund to cease to exist as separate fund as its activities and functions are subsumed under and subject to United States Mint Public Enterprise Fund, see section 5136 of this title.

§ 5133. Settlement of accounts

(a) The Secretary of the Treasury shall—

(1) charge the superintendent of each mint with the amount in weight of standard metal of bullion the superintendent receives from the Secretary;

(2) credit each superintendent with the amount in weight of coins, clippings, and other bullion the superintendent returns to the Secretary; and

(3) charge separately to each superintendent, who shall account for, copper to be used in the alloy of gold and silver bullion.

(b) SETTLEMENT OF ACCOUNTS.—

(1) IN GENERAL.—At least once each year, the Secretary of the Treasury shall settle the accounts of the superintendents of the mints.

(2) PROCEDURE.—At any settlement under this subsection, the superintendent shall—

(A) return to the Secretary any coin, clipping, or other bullion in the possession of the superintendent; and

(B) present the Secretary with a statement of bullion received and returned since the last settlement (including any bullion returned for settlement).

(3) AUDIT.—The Secretary shall—

(A) audit the accounts of each superintendent; and

(B) allow each superintendent the waste of precious metals that the Secretary determines is necessary—

(i) for refining and minting (within the limitations which the Secretary shall prescribe); and

(ii) for casting fine gold and silver bars (within the limit prescribed for refining), except that any waste allowance under this clause may not apply to deposit operations.

(c) After settlement, the Secretary shall compare the amount of gold and silver bullion and coins on hand with the total liabilities of the mints. The Secretary also shall make a statement of the ordinary expense account.

(d) The Secretary shall procure for each mint a series of standard weights corresponding to the standard troy pound of the National Institute of Standards and Technology of the Department of Commerce. The series shall include a one pound weight and multiples and subdivisions of one pound from .01 grain to 25 pounds.

At least once a year, the Secretary shall test the weights normally used in transactions at the mints against the standard weights.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 989; Pub. L. 100-274, §2(c)(4)-(7), (9), (10), Mar. 31, 1988, 102 Stat. 49; Pub. L. 100-418, title V, §5115(c), Aug. 23, 1988, 102 Stat. 1433.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5133(a)	31:354(1st sentence).	R.S. §3541; Aug. 23, 1912, ch. 350, §1(last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384.
	31:355(last sentence).	R.S. §3542; Aug. 23, 1912, ch. 350, §1(last par. words before 7th comma under heading "Assay Office at Salt Lake City, Utah"), 37 Stat. 384; July 23, 1965, Pub. L. 89-81, §207, 79 Stat. 257.
5133(b)	31:283(2d, last sentences).	R.S. §3558(2d, last sentences); restated July 11, 1962, Pub. L. 87-534, §2, 76 Stat. 155.
	31:354(last sentence).	
	31:355(1st, 2d sentences).	
5133(c)	31:356.	R.S. §3543.
5133(d)	31:365.	R.S. §3549; restated Mar. 4, 1911, ch. 268, §2, 36 Stat. 1354.

In the section, the word "Secretary" is substituted for "superintendent" and "Director of the Mint" in 31:354, 356, 365, and the word "Superintendent" is substituted for "superintendent of coining department" in 31:354 and 355 and "superintendent of melting and refining", because of the source provisions restated in section 321(c) of the revised title.

In subsection (a), the words "superintendent of each mint and the assay office at New York and the officer in charge of the assay office at San Francisco" are added because of the source provisions restated in section 5131(b) and (c) of the revised title.

In subsection (b), before clause (1), the words "shall settle" are substituted for "and at such time as the . . . shall appoint, there shall be an accurate and full settlement" in 31:354(last sentence) to eliminate unnecessary words. In clause (1), the words "The Secretary shall audit" are substituted for "When all the coins, clippings, and other bullion have been delivered to the superintendent, it shall be his duty to examine" in 31:355(1st, 2d sentences) to eliminate unnecessary words. In clause (2), the words "the waste of precious metals . . . decides is necessary for refining and minting" are substituted for "The difference between the amount charged and credited to each officer . . . as necessary wastage, if . . . shall be satisfied that there has been a bona fide waste of the precious metals" for consistency in the subsection and to eliminate unnecessary words. In clause (3), the words "limitations prescribed for refining" are substituted for "that provided for the melter and refiner" in 31:283(2d, last sentences) for consistency in the subsection. The word "bona fide" is omitted as being included in "necessary".

In subsection (c), the words "It shall also be the duty of the superintendent to forward a correct statement of his balance sheet" are omitted as superseded by the source provisions restated in section 321(c) of the revised title. The words "mints and assay offices" are substituted for "mint" for consistency in the section.

In subsection (d), the words "National Bureau of Standards of the Department of Commerce" are substituted for "Bureau of Standards of the United States" because of 15:1511. The words "from .01 grain" are substituted for "from the hundredths part of a grain" for consistency. The words "under the inspection of the superintendent and assayer" are omitted as superseded by the source provisions restated in section 321(c) of the revised title. The words "and the accuracy

of those used at the mint at Philadelphia shall be tested annually in the presence of the assay commissioners, at the time of the annual examination and test of coins" are omitted because the position of assay commissioner was abolished by section 201 of the Act of March 14, 1980 (Pub. L. 96-209, 94 Stat. 98).

AMENDMENTS

1988—Subsec. (a)(1). Pub. L. 100-274, §2(c)(4), substituted "each mint" and "superintendent receives" for "each mint and the assay office at New York and the officer in charge of the assay office at San Francisco" and "superintendent or officer receives", respectively.

Subsec. (a)(2). Pub. L. 100-274, §2(c)(5), substituted "credit each superintendent with the amount" and "superintendent returns" for "credit each superintendent and the officer with the amount" and "superintendent or officer returns", respectively.

Subsec. (a)(3). Pub. L. 100-274, §2(c)(6), substituted "superintendent, who" for "superintendent and the officer, who".

Subsec. (b). Pub. L. 100-274, §2(c)(7), inserted heading and amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: "At least once a year, the Secretary shall settle the accounts of the superintendents and the officer in charge. At settlement, each superintendent and the officer shall return to the Secretary coins, clippings, and other bullion in their possession with a statement of bullion received and returned since the last settlement (including bullion returned for settlement). The Secretary shall—

"(1) audit the accounts and statements of each superintendent and the officer;

"(2) allow each superintendent the waste of precious metals, within limitations prescribed by the Secretary, that the Secretary decides is necessary for refining and minting; and

"(3) allow the officer the waste, within the limitations prescribed for refining, that the Secretary decides is necessary in casting fine gold and silver bars, except that the waste allowance may not apply to deposit operations."

Subsec. (c). Pub. L. 100-274, §2(c)(9), struck out "and assay offices" after "total liabilities of the mints".

Subsec. (d). Pub. L. 100-418 substituted "National Institute of Standards and Technology" for "National Bureau of Standards".

Pub. L. 100-274, §2(c)(10), struck out "and assay office" after "procure for each mint" and "and assay offices" after "transactions at the mints".

§ 5134. Numismatic Public Enterprise Fund

(a) DEFINITIONS.—For purposes of this section—

(1) FUND.—The term "Fund" means the Numismatic Public Enterprise Fund.

(2) MINT.—The term "Mint" means the United States Mint.

(3) NUMISMATIC ITEM.—The term "numismatic item" means any medal, proof coin, uncirculated coin, bullion coin, or other coin specifically designated by statute as a numismatic item, including products and accessories related to any such medal, coin, or item.

(4) NUMISMATIC OPERATIONS AND PROGRAMS.—The term "numismatic operations and programs"—

(A) means the activities concerning, and assets utilized in, the production, administration, sale, and management of numismatic items and the Numismatic Public Enterprise Fund; and

(B) includes capital, personnel salaries, functions relating to operations, marketing, distribution, promotion, advertising, and official reception and representation, the ac-

quisition or replacement of equipment, and the renovation or modernization of facilities (other than the construction or acquisition of new buildings).

(5) SECRETARY.—The term "Secretary" means the Secretary of the Treasury.

(b) ESTABLISHMENT OF FUND.—There is hereby established in the Treasury of the United States a revolving Numismatic Public Enterprise Fund consisting of amounts deposited in the fund¹ under subsection (c)(2) of this section or section 221(b) of the United States Mint Reauthorization and Reform Act of 1992 which shall be available to the Secretary for numismatic operations and programs of the United States Mint without fiscal year limitation.

(c) OPERATIONS OF THE FUND.—

(1) PAYMENT OF EXPENSES.—Any expense incurred by the Secretary for numismatic operations and programs which the Secretary determines, in the Secretary's sole discretion, to be ordinary and reasonable incidents of the numismatic business shall be paid out of the Fund, including any expense incurred pursuant to any obligation or other commitment of Mint numismatic operations and programs which was entered into before the beginning of fiscal year 1993.

(2) DEPOSIT OF RECEIPTS.—All receipts from numismatic operations and programs shall be deposited into the Fund, including amounts attributable to any surcharge imposed with respect to the sale of any numismatic item.

(3) TRANSFER OF SEIGNIORAGE.—The Secretary shall transfer monthly from the Fund to the general fund of the Treasury an amount equal to the total amount on the seigniorage of numismatic items sold since the date of any preceding transfer.

(4) TRANSFER OF EXCESS AMOUNTS TO THE TREASURY.—

(A) IN GENERAL.—At such times as the Secretary determines to be appropriate, the Secretary shall transfer any amount in the Fund which the Secretary determines to be in excess of the amount required by the Fund to the Treasury for deposit as miscellaneous receipts.

(B) REPORT TO CONGRESS.—The Secretary shall submit an annual report to the Congress containing—

(i) a statement of the total amount transferred to the Treasury pursuant to subparagraph (A) during the period covered by the report;

(ii) a statement of the amount by which the amount on deposit in the Fund at the end of the period covered by the report exceeds the estimated operating costs of the Fund for the 1-year period beginning at the end of such period; and

(iii) an explanation of the specific purposes for which such excess amounts are being retained in the Fund.

(d) BUDGET TREATMENT.—

(1) IN GENERAL.—The Secretary shall prepare budgets for the Fund, and estimates and statements of financial condition of the Fund in ac-

¹ So in original. Probably should be capitalized.

cordance with the requirements of section 9103 which shall be submitted to the President for inclusion in the budget submitted under section 1105.

(2) INCLUSION IN ANNUAL REPORT.—Statements of the financial condition of the Fund shall be included in the Secretary's annual report on the operation of the Mint.

(3) TREATMENT AS WHOLLY OWNED GOVERNMENT CORPORATION FOR CERTAIN PURPOSES.—Section 9104 shall apply to the Fund to the same extent such section applies to wholly owned Government corporations.

(e) FINANCIAL STATEMENTS, AUDITS, AND REPORTS.—

(1) ANNUAL FINANCIAL STATEMENT REQUIRED.—By the end of each calendar year, the Secretary shall prepare an annual financial statement of the Fund for the fiscal year which ends during such calendar year.

(2) CONTENTS OF FINANCIAL STATEMENT.—Each statement prepared pursuant to paragraph (1) shall, at a minimum, contain—

(A) the overall financial position (including assets and liabilities) of the Fund as of the end of the fiscal year;

(B) the results of the numismatic operations and programs of the Fund during the fiscal year;

(C) the cash flows or the changes in financial position of the Fund;

(D) a reconciliation of the financial statement to the budget reports of the Fund; and

(E) a supplemental schedule detailing—

(i) the costs and expenses for the production, for the marketing, and for the distribution of each denomination of circulating coins produced by the Mint during the fiscal year and the per-unit cost of producing, of marketing, and of distributing each denomination of such coins; and

(ii) the gross revenue derived from the sales of each such denomination of coins.

(3) ANNUAL AUDITS.—

(A) IN GENERAL.—Each annual financial statement prepared under paragraph (1) shall be audited—

(i) by—

(I) an independent external auditor; or

(II) the Inspector General of the Department of the Treasury,

as designated by the Secretary; and

(ii) in accordance with the generally accepted Government auditing standards issued by the Comptroller General of the United States.

(B) AUDITOR'S REPORT REQUIRED.—The auditor designated to audit any financial statement of the Fund pursuant to subparagraph (A) shall submit a report—

(i) to the Secretary by March 31 of the year beginning after the end of the fiscal year covered by such financial statement; and

(ii) containing the auditor's opinion on—

(I) the financial statement of the Fund;

(II) the internal accounting and administrative controls and accounting systems of the Fund; and

(III) the Fund's compliance with applicable laws and regulations.

(4) ANNUAL REPORT ON FUND.—

(A) REPORT REQUIRED.—By April 30 of each year, the Secretary shall submit a report on the Fund for the most recently completed fiscal year to the President, the Congress, and the Director of the Office of Management and Budget.

(B) CONTENTS OF ANNUAL REPORT.—The annual report required under subparagraph (A) for any fiscal year shall include—

(i) the financial statement prepared under paragraph (1) for such fiscal year;

(ii) the audit report submitted to the Secretary pursuant to paragraph (3)(B) for such fiscal year;

(iii) a description of activities carried out during such fiscal year;

(iv) a summary of information relating to numismatic operations and programs contained in the reports on systems on internal accounting and administrative controls and accounting systems submitted to the President and the Congress under section 3512(c);

(v) a summary of the corrective actions taken with respect to material weaknesses relating to numismatic operations and programs identified in the reports prepared under section 3512(c);

(vi) any other information the Secretary considers appropriate to fully inform the Congress concerning the financial management of the Fund; and

(vii) a statement of the total amount of excess funds transferred to the Treasury.

(5) MARKETING REPORT.—

(A) REPORT REQUIRED FOR 10 YEARS.—For each fiscal year beginning before fiscal year 2003, the Secretary shall submit an annual report on all marketing activities and expenses of the Fund to the Congress before the end of the 3-month period beginning at the end of such fiscal year.

(B) CONTENTS OF REPORT.—The report submitted pursuant to subparagraph (A) shall contain a detailed description of—

(i) the sources of income including surcharges; and

(ii) expenses incurred for manufacturing, materials, overhead, packaging, marketing, and shipping.

(f) CONDITIONS ON PAYMENT OF SURCHARGES TO RECIPIENT ORGANIZATIONS.—

(1) PAYMENT OF SURCHARGES.—

(A) IN GENERAL.—Notwithstanding any other provision of law, no amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item shall be paid from the fund¹ to any designated recipient organization unless—

(i) all numismatic operation and program costs allocable to the program under which such numismatic item is produced and sold have been recovered; and

(ii) the designated recipient organization submits an audited financial statement that demonstrates, to the satisfaction of the Secretary, that, with respect to all

projects or purposes for which the proceeds of such surcharge may be used, the organization has raised funds from private sources for such projects and purposes in an amount that is equal to or greater than the total amount of the proceeds of such surcharge derived from the sale of such numismatic item.

(B) UNPAID AMOUNTS.—If any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item that may otherwise be paid from the fund,¹ under any provision of law relating to such numismatic item, to any designated recipient organization remains unpaid to such organization solely by reason of the matching fund requirement contained in subparagraph (A)(ii) after the end of the 2-year period beginning on the later of—

- (i) the last day any such numismatic item is issued by the Secretary; or
- (ii) the date of the enactment of the American 5-Cent Coin Design Continuity Act of 2003,

such unpaid amount shall be deposited in the Treasury as miscellaneous receipts.

(2) ANNUAL AUDITS.—

(A) ANNUAL AUDITS OF RECIPIENTS REQUIRED.—Each designated recipient organization that receives any payment from the fund¹ of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item shall provide, as a condition for receiving any such amount, for an annual audit, in accordance with generally accepted government auditing standards by an independent public accountant selected by the organization, of all such payments to the organization beginning in the first fiscal year of the organization in which any such amount is received and continuing until all amounts received by such organization from the fund¹ with respect to such surcharges are fully expended or placed in trust.

(B) MINIMUM REQUIREMENTS FOR ANNUAL AUDITS.—At a minimum, each audit of a designated recipient organization pursuant to subparagraph (A) shall report—

- (i) the amount of payments received by the designated recipient organization from the fund¹ during the fiscal year of the organization for which the audit is conducted that are derived from the proceeds of any surcharge imposed on the sale of any numismatic item;
- (ii) the amount expended by the designated recipient organization from the proceeds of such surcharges during the fiscal year of the organization for which the audit is conducted; and
- (iii) whether all expenditures by the designated recipient organization during the fiscal year of the organization for which the audit is conducted from the proceeds of such surcharges were for authorized purposes.

(C) RESPONSIBILITY OF ORGANIZATION TO ACCOUNT FOR EXPENDITURES OF SURCHARGES.—

Each designated recipient organization that receives any payment from the fund¹ of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item shall take appropriate steps, as a condition for receiving any such payment, to ensure that the receipt of the payment and the expenditure of the proceeds of such surcharge by the organization in each fiscal year of the organization can be accounted for separately from all other revenues and expenditures of the organization.

(D) SUBMISSION OF AUDIT REPORT.—Not later than 90 days after the end of any fiscal year of a designated recipient organization for which an audit is required under subparagraph (A), the organization shall—

- (i) submit a copy of the report to the Secretary of the Treasury; and
- (ii) make a copy of the report available to the public.

(E) USE OF SURCHARGES FOR AUDITS.—Any designated recipient organization that receives any payment from the fund¹ of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item may use the amount received to pay the cost of an audit required under subparagraph (A).

(F) WAIVER OF PARAGRAPH.—The Secretary of the Treasury may waive the application of any subparagraph of this paragraph to any designated recipient organization for any fiscal year after taking into account the amount of surcharges that such organization received or expended during such year.

(G) NONAPPLICABILITY TO FEDERAL ENTITIES.—This paragraph shall not apply to any Federal agency or department or any independent establishment in the executive branch that receives any payment from the fund¹ of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item.

(H) AVAILABILITY OF BOOKS AND RECORDS.—An organization that receives any payment from the fund¹ of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item shall provide, as a condition for receiving any such payment, to the Inspector General of the Department of the Treasury or the Comptroller General of the United States, upon the request of such Inspector General or the Comptroller General, all books, records, and work papers belonging to or used by the organization, or by any independent public accountant who audited the organization in accordance with subparagraph (A), which may relate to the receipt or expenditure of any such amount by the organization.

(3) USE OF AGENTS OR ATTORNEYS TO INFLUENCE COMMEMORATIVE COIN LEGISLATION.—No portion of any payment from the fund¹ to any designated recipient organization of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item may be used, directly or indirectly, by the organization to compensate any agent or attorney for services rendered to support or

influence in any way legislative action of the Congress relating to such numismatic item.

(4) DESIGNATED RECIPIENT ORGANIZATION DEFINED.—For purposes of this subsection, the term “designated recipient organization” means any organization designated, under any provision of law, as the recipient of any surcharge imposed on the sale of any numismatic item.

(g) QUARTERLY FINANCIAL REPORTS.—

(1) IN GENERAL.—Not later than the 30th day of each month following each calendar quarter through and including the final period of sales with respect to any commemorative coin program authorized on or after the date of enactment of the Treasury, Postal Service, and General Government Appropriations Act, 1997, the Mint shall submit to the Congress a quarterly financial report in accordance with this subsection.

(2) REQUIREMENTS.—Each report submitted under paragraph (1) shall include, with respect to the calendar quarter at issue—

(A) a detailed financial statement, prepared in accordance with generally accepted accounting principles, that includes financial information specific to that quarter, as well as cumulative financial information relating to the entire program;

(B) a detailed accounting of—

(i) all costs relating to marketing efforts;

(ii) all funds projected for marketing use;

(iii) all costs for employee travel relating to the promotion of commemorative coin programs;

(iv) all numismatic items minted, sold, not sold, and rejected during the production process; and

(v) the costs of melting down all rejected and unsold products;

(C) adequate market-based research for all commemorative coin programs; and

(D) a description of the efforts of the Mint in keeping the sale price of numismatic items as low as practicable.

(Added Pub. L. 102-390, title II, §221(a), Oct. 6, 1992, 106 Stat. 1624; amended Pub. L. 104-208, div. A, title I, §101(f) [title V, §529(b)(1), (2), (c)], Sept. 30, 1996, 110 Stat. 3009-314, 3009-349, 3009-350, 3009-352; Pub. L. 106-445, §3, Nov. 6, 2000, 114 Stat. 1931; Pub. L. 108-15, title I, §103(d)(2), title II, §201(a), Apr. 23, 2003, 117 Stat. 619.)

REFERENCES IN TEXT

Section 221(b) of the United States Mint Reauthorization and Reform Act of 1992, referred to in subsec. (b), is section 221(b) of Pub. L. 102-390, which is set out below.

The date of the enactment of the American 5-Cent Coin Design Continuity Act of 2003, referred to in subsec. (f)(1)(B)(ii), is the date of enactment of Pub. L. 108-15, which was approved Apr. 23, 2003.

The date of enactment of the Treasury, Postal Service, and General Government Appropriations Act, 1997, referred to in subsec. (g)(1), is the date of enactment of section 101(f) of title I of div. A of Pub. L. 104-208, which was approved Sept. 30, 1996.

AMENDMENTS

2003—Subsec. (c)(4), (5). Pub. L. 108-15, §103(d)(2), redesignated par. (5) as (4) and struck out heading and

text of former par. (4). Text read as follows: “For purposes of paragraph (1), any expense incurred by the Secretary in connection with the Citizens Commemorative Coin Advisory Committee established under section 5135 shall be treated as an expense incurred for numismatic operations and programs which is an ordinary and reasonable incident of the numismatic business.”

Subsec. (f)(1). Pub. L. 108-15, §201(a), amended heading and text of par. (1) generally. Prior to amendment, text read as follows: “Notwithstanding any other provision of law, no amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item shall be paid from the fund to any designated recipient organization unless—

“(A) all numismatic operation and program costs allocable to the program under which such numismatic item is produced and sold have been recovered; and

“(B) the designated recipient organization submits an audited financial statement that demonstrates to the satisfaction of the Secretary of the Treasury that, with respect to all projects or purposes for which the proceeds of such surcharge may be used, the organization has raised funds from private sources for such projects and purposes in an amount that is equal to or greater than the maximum amount the organization may receive from the proceeds of such surcharge.”

2000—Subsec. (e)(2). Pub. L. 106-445, §3(1), substituted “contain” for “reflect” in introductory provisions.

Subsec. (e)(2)(E). Pub. L. 106-445, §3(2)-(4), added subpar. (E).

1996—Subsec. (c)(2). Pub. L. 104-208, §101(f) [title V, §529(b)(1)], inserted “, including amounts attributable to any surcharge imposed with respect to the sale of any numismatic item” before period at end.

Subsec. (f). Pub. L. 104-208, §101(f) [title V, §529(b)(2)], added subsec. (f).

Subsec. (g). Pub. L. 104-208, §101(f) [title V, §529(c)], added subsec. (g).

EFFECTIVE DATE OF 2003 AMENDMENT

Pub. L. 108-15, title II, §201(b), Apr. 23, 2003, 117 Stat. 620, provided that: “The amendment made by subsection (a) [amending this section] shall apply as of the date of the enactment of Public Law 104-208 [Sept. 30, 1996].”

EFFECTIVE DATE OF 1996 AMENDMENT

Section 101(f) [title V, §529(b)(3)] of Pub. L. 104-208 provided that: “The amendments made by this section [probably should be this subsection, amending this section] shall apply with respect to the proceeds of any surcharge imposed on the sale of any numismatic item that are deposited in the Numismatic Public Enterprise Fund after the date of the enactment of this Act [Sept. 30, 1996].”

EFFECTIVE DATE

Section applicable with respect to fiscal years beginning after fiscal year 1992, see section 221(e) of Pub. L. 102-390, set out as an Effective Date of 1992 Amendment note under section 5132 of this title.

TERMINATION OF NUMISMATIC PUBLIC ENTERPRISE FUND

All assets and liabilities of Numismatic Public Enterprise Fund transferred to United States Mint Public Enterprise Fund and Numismatic Public Enterprise Fund to cease to exist as separate fund as its activities and functions are subsumed under and subject to United States Mint Public Enterprise Fund, see section 5136 of this title.

INITIAL FUNDING OF FUND FROM EXISTING NUMISMATIC OPERATIONS

Section 221(b) of Pub. L. 102-390 provided that: “(1) IN GENERAL.—As soon as practicable after the end of fiscal year 1992, the Secretary of the Treasury shall transfer to the Fund—

“(A) from the Mint’s numismatic profits for such fiscal year, an amount which the Secretary determines to be necessary—

“(i) to meet existing numismatic liabilities and obligations; and

“(ii) to provide working capital for Mint numismatic operations and programs; and

“(B) all numismatic receivables, and the numismatic operations and programs (including liabilities and other obligations) of the United States Mint, and the land and buildings of the San Francisco Mint, the Old San Francisco Mint, and the West Point Mint, capitalized at current book value as carried in the Mint combined statement of financial condition.

“(2) EXCESS AMOUNTS TO BE DEPOSITED IN THE GENERAL FUND.—That portion of the total amount of numismatic profits for fiscal year 1992 which remains after the transfer to the Fund pursuant to paragraph (1)(A) is made shall be deposited by the Secretary in the general fund of the Treasury as soon as practicable after the end of the fiscal year.

“(3) DEFINITIONS.—For purposes of paragraphs (1) and (2)—

“(A) NUMISMATIC PROFIT.—The term ‘numismatic profit’ means the amount which is equal to the proceeds (including seigniorage) from the sale of numismatic items minus the costs of numismatic operations and programs.

“(B) NUMISMATIC RECEIVABLE.—The term ‘numismatic receivable’ means any account receivable from numismatic operations and programs, including chargebacks, returned checks, amounts due from special order sales, and amounts due from consignment sales.

“(C) OTHER TERMS.—The terms ‘Fund’ and ‘numismatic item’ have the meaning given to such terms in the amendment made by subsection (a) [enacting this section].”

§ 5135. Citizens Coinage Advisory Committee

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is hereby established the Citizens Coinage Advisory Committee (in this section referred to as the “Advisory Committee”) to advise the Secretary of the Treasury on the selection of themes and designs for coins.

(2) OVERSIGHT OF ADVISORY COMMITTEE.—The Advisory Committee shall be subject to the authority of the Secretary of the Treasury (hereafter in this section referred to as the “Secretary”).

(b) MEMBERSHIP.—

(1) APPOINTMENT.—The Advisory Committee shall consist of 11 members appointed by the Secretary as follows:

(A) Seven persons appointed by the Secretary—

(i) one of whom shall be appointed from among individuals who are specially qualified to serve on the Advisory Committee by virtue of their education, training, or experience as a nationally or internationally recognized curator in the United States of a numismatic collection;

(ii) one of whom shall be appointed from among individuals who are specially qualified to serve on the Advisory Committee by virtue of their experience in the medallic arts or sculpture;

(iii) one of whom shall be appointed from among individuals who are specially qualified to serve on the Advisory Committee by virtue of their education, training, or experience in American history;

(iv) one of whom shall be appointed from among individuals who are specially qualified to serve on the Advisory Committee by virtue of their education, training, or experience in numismatics; and

(v) three of whom shall be appointed from among individuals who can represent the interests of the general public in the coinage of the United States.

(B) Four persons appointed by the Secretary on the basis of the recommendations of the following officials who shall make the selection for such recommendation from among citizens who are specially qualified to serve on the Advisory Committee by virtue of their education, training, or experience:

(i) One person recommended by the Speaker of the House of Representatives.

(ii) One person recommended by the minority leader of the House of Representatives.

(iii) One person recommended by the majority leader of the Senate.

(iv) One person recommended by the minority leader of the Senate.

(2) TERMS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), members of the Advisory Committee shall be appointed for a term of 4 years.

(B) TERMS OF INITIAL APPOINTEES.—As designated by the Secretary at the time of appointment, of the members first appointed—

(i) four of the members appointed under paragraph (1)(A) shall be appointed for a term of 4 years;

(ii) the four members appointed under paragraph (1)(B) shall be appointed for a term of 3 years; and

(iii) three of the members appointed under paragraph (1)(A) shall be appointed for a term of 2 years.

(3) PRESERVATION OF PUBLIC ADVISORY STATUS.—No individual may be appointed to the Advisory Committee while serving as an officer or employee of the Federal Government.

(4) CONTINUATION OF SERVICE.—Each appointed member may continue to serve for up to 6 months after the expiration of the term of office to which such member was appointed until a successor has been appointed.

(5) VACANCY AND REMOVAL.—

(A) IN GENERAL.—Any vacancy on the Advisory Committee shall be filled in the manner in which the original appointment was made.

(B) REMOVAL.—Advisory Committee members shall serve at the discretion of the Secretary and may be removed at any time for good cause.

(6) CHAIRPERSON.—The Chairperson of the Advisory Committee shall be appointed for a term of 1 year by the Secretary from among the members of the Advisory Committee.

(7) PAY AND EXPENSES.—Members of the Advisory Committee shall serve without pay for such service but each member of the Advisory Committee shall be reimbursed from the

United States Mint Public Enterprise Fund for travel, lodging, meals, and incidental expenses incurred in connection with attendance of such members at meetings of the Advisory Committee in the same amounts and under the same conditions as employees of the United States Mint who engage in official travel, as determined by the Secretary.

(8) MEETINGS.—

(A) IN GENERAL.—The Advisory Committee shall meet at the call of the Secretary, the chairperson, or a majority of the members, but not less frequently than twice annually.

(B) OPEN MEETINGS.—Each meeting of the Advisory Committee shall be open to the public.

(C) PRIOR NOTICE OF MEETINGS.—Timely notice of each meeting of the Advisory Committee shall be published in the Federal Register, and timely notice of each meeting shall be made to trade publications and publications of general circulation.

(9) QUORUM.—Seven members of the Advisory Committee shall constitute a quorum.

(c) DUTIES OF THE ADVISORY COMMITTEE.—The duties of the Advisory Committee are as follows:

(1) Advising the Secretary of the Treasury on any theme or design proposals relating to circulating coinage, bullion coinage, congressional gold medals and national and other medals produced by the Secretary of the Treasury in accordance with section 5111 of title 31, United States Code.

(2) Advising the Secretary of the Treasury with regard to—

(A) the events, persons, or places that the Advisory Committee recommends be commemorated by the issuance of commemorative coins in each of the 5 calendar years succeeding the year in which a commemorative coin designation is made;

(B) the mintage level for any commemorative coin recommended under subparagraph (A); and

(C) the proposed designs for commemorative coins.

(d) EXPENSES.—The expenses of the Advisory Committee that the Secretary of the Treasury determines to be reasonable and appropriate shall be paid by the Secretary from the United States Mint Public Enterprise Fund.

(e) ADMINISTRATIVE SUPPORT, TECHNICAL SERVICES, AND ADVICE.—Upon the request of the Advisory Committee, or as necessary for the Advisory Committee to carry out the responsibilities of the Advisory Committee under this section, the Director of the United States Mint shall provide to the Advisory Committee the administrative support, technical services, and advice that the Secretary of the Treasury determines to be reasonable and appropriate.

(f) CONSULTATION AUTHORITY.—In carrying out the duties of the Advisory Committee under this section, the Advisory Committee may consult with the Commission of Fine Arts.

(g) ANNUAL REPORT.—

(1) REQUIRED.—Not later than September 30 of each year, the Advisory Committee shall submit a report to the Secretary, the Committee on Financial Services of the House of Rep-

resentatives and the Committee on Banking, Housing, and Urban Affairs of the Senate. Should circumstances arise in which the Advisory Committee cannot meet the September 30 deadline in any year, the Secretary shall advise the Chairpersons of the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate of the reasons for such delay and the date on which the submission of the report is anticipated.

(2) CONTENTS.—The report required by paragraph (1) shall describe the activities of the Advisory Committee during the preceding year and the reports and recommendations made by the Advisory Committee to the Secretary of the Treasury.

(h) FEDERAL ADVISORY COMMITTEE ACT DOES NOT APPLY.—Subject to the requirements of subsection (b)(8), the Federal Advisory Committee Act shall not apply with respect to the Committee.

(Added Pub. L. 102-390, title II, §229(a), Oct. 6, 1992, 106 Stat. 1631; amended Pub. L. 104-208, div. A, title I, §101(f) [title V, §529(d)], Sept. 30, 1996, 110 Stat. 3009-314, 3009-352; Pub. L. 104-329, title III, §303(a), Oct. 20, 1996, 110 Stat. 4014; Pub. L. 108-15, title I, §103(a), Apr. 23, 2003, 117 Stat. 616.)

REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (h), is Pub. L. 92-463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS

2003—Pub. L. 108-15 amended section catchline and text generally. Prior to amendment, text provided for the establishment of the Citizens Commemorative Coin Advisory Committee and contained provisions concerning its oversight, membership, duties, and funding, the term of each membership, and the compensation of each member.

1996—Subsec. (a)(4), Pub. L. 104-329 reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “Each member appointed under clause (i) or (iii) of paragraph (3)(A) shall be appointed for a term of 4 years.”

Pub. L. 104-208, §101(f) [title V, §529(d)(1)], reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “No individual shall be appointed to serve as a member of the Advisory Committee for a term in excess of 5 years.”

Subsec. (a)(7), Pub. L. 104-208, §101(f) [title V, §529(d)(2)], added par. (7).

ABOLISHMENT OF CITIZENS COMMEMORATIVE COIN ADVISORY COMMITTEE; CONTINUITY OF MEMBERS

Pub. L. 108-15, title I, §103(b), (c), Apr. 23, 2003, 117 Stat. 618, 619, provided that:

“(b) ABOLISHMENT OF CITIZENS COMMEMORATIVE COIN ADVISORY COMMITTEE.—Effective on the date of the enactment of this Act [Apr. 23, 2003], the Citizens Commemorative Coin Advisory Committee (established by section 5135 of title 31, United States Code, as in effect before the amendment made by subsection (a)) is hereby abolished.

“(c) CONTINUITY OF MEMBERS OF CITIZENS COMMEMORATIVE COIN ADVISORY COMMITTEE.—Subject to paragraphs (1) and (2) of section 5135(b) of title 31, United States Code, any person who is a member of the Citizens Commemorative Coin Advisory Committee on the date of the enactment of this Act [Apr. 23, 2003], other than the member of such committee who is appointed from among the officers or employees of the United

States Mint, may continue to serve the remainder of the term to which such member was appointed as a member of the Citizens Coinage Advisory Committee in one of the positions as determined by the Secretary.”

STAGGERED TERMS FOR MEMBERS OF CITIZENS
COMMEMORATIVE COIN ADVISORY COMMITTEE

Pub. L. 104-329, title III, § 303(b), Oct. 20, 1996, 110 Stat. 4014, provided that members serving on the Citizens Commemorative Coin Advisory Committee as of Oct. 20, 1996, would be deemed to have been appointed to terms which ended on Dec. 31, 1997, 1998, or 1999.

STATUS OF MEMBERS OF CITIZENS COMMEMORATIVE
COIN ADVISORY COMMITTEE

Pub. L. 104-329, title III, § 303(c), Oct. 20, 1996, 110 Stat. 4015, provided that members appointed to the Citizens Commemorative Coin Advisory Committee under clause (i) or (iii) of subsec. (a)(3)(A) of this section would not be treated as special Government employees.

**§ 5136. United States Mint Public Enterprise
Fund**

There shall be established in the Treasury of the United States, a United States Mint Public Enterprise Fund (the “Fund”) for fiscal year 1996 and hereafter: *Provided*, That all receipts from Mint operations and programs, including the production and sale of numismatic items, the production and sale of circulating coinage, the protection of Government assets, and gifts and bequests of property, real or personal shall be deposited into the Fund and shall be available without fiscal year limitations: *Provided further*, That all expenses incurred by the Secretary of the Treasury for operations and programs of the United States Mint that the Secretary of the Treasury determines, in the Secretary’s sole discretion, to be ordinary and reasonable incidents of Mint operations and programs, and any expense incurred pursuant to any obligation or other commitment of Mint operations and programs that was entered into before the establishment of the Fund, shall be paid out of the Fund: *Provided further*, That not to exceed 6.2415 percent of the nominal value of the coins minted, shall be paid out of the Fund for the circulating coin operations and programs in fiscal year 1996 for those operations and programs previously provided for by appropriation: *Provided further*, That the Secretary of the Treasury may borrow such funds from the General Fund as may be necessary to meet existing liabilities and obligations incurred prior to the receipt of revenues into the Fund: *Provided further*, That the General Fund shall be reimbursed for such funds by the Fund within one year of the date of the loan: *Provided further*, That the Fund may retain receipts from the Federal Reserve System from the sale of circulating coins at face value for deposit into the Fund (retention of receipts is for the circulating operations and programs): *Provided further*, That the Secretary of the Treasury shall transfer to the Fund all assets and liabilities of the Mint operations and programs, including all Numismatic Public Enterprise Fund assets and liabilities, all receivables, unpaid obligations and unobligated balances from the Mint’s appropriation, the Coinage Profit Fund, and the Coinage Metal Fund, and the land and buildings of the Philadelphia Mint, Denver Mint, and the Fort Knox

Bullion Depository: *Provided further*, That the Numismatic Public Enterprise Fund, the Coinage Profit Fund and the Coinage Metal Fund shall cease to exist as separate funds as their activities¹ and functions are subsumed under and subject to the Fund, and the requirements of 31 USC 5134(c)(4), (c)(5)(B), and (d) and (e)² of the Numismatic Public Enterprise Fund shall apply to the Fund: *Provided further*, That at such times as the Secretary of the Treasury determines appropriate, but not less than annually, any amount in the Fund that is determined to be in excess of the amount required by the Fund shall be transferred to the Treasury for deposit as miscellaneous receipts: *Provided further*, That the term “Mint operations and programs” means (1) the activities concerning, and assets utilized in, the production, administration, distribution, marketing, purchase, sale, and management of coinage, numismatic items, the protection and safeguarding of Mint assets and those non-Mint assets in the custody of the Mint, and the Fund; and (2) includes capital, personnel salaries and compensation, functions relating to operations, marketing, distribution, promotion, advertising, official reception and representation, the acquisition or replacement of equipment, the renovation or modernization of facilities, and the construction or acquisition of new buildings: *Provided further*, That the term “numismatic item” includes any medal, proof coin, uncirculated coin, bullion coin, numismatic collectible, other monetary issuances and products and accessories related to any such medal or coin: *Provided further*, That provisions of law governing procurement or public contracts shall not be applicable to the procurement of goods or services necessary for carrying out Mint programs and operations.

(Added Pub. L. 104-52, title V, § 522, Nov. 19, 1995, 109 Stat. 494.)

REFERENCES IN TEXT

Section 5134(c) of this title, referred to in text, was amended by Pub. L. 108-15, title I, § 103(d)(2), Apr. 23, 2003, 117 Stat. 619, which struck out par. (4) and redesignated par. (5) as (4).

CODIFICATION

Section 522 of Pub. L. 104-52, which directed the amendment of subchapter III of chapter 51 of this title by adding at the end thereof a new section, but had the ending quotation marks following the section catchline, was executed by adding this section as set out above, to reflect the probable intent of Congress.

SUBCHAPTER IV—BUREAU OF ENGRAVING
AND PRINTING

§ 5141. Operation of the Bureau

(a) The Secretary of the Treasury shall prepare and submit to the President an annual business-type budget for the Bureau of Engraving and Printing.

(b)(1) The Secretary shall maintain in the Bureau an integrated accounting system with internal controls that—

(A) ensures adequate control over assets and liabilities of the Bureau of Engraving and

¹ So in original. Probably should be “activities”.

² See References in Text note below.

Printing Fund described in section 5142 of this title;

(B) develops accurate production costs to enable the Bureau to recover those costs on the basis of the work requisitioned;

(C) provides for replacement of capitalized equipment and other fixed assets by maintaining adequate depreciation reserves based on original cost or appraised values;

(D) discloses the financial condition and operations of the Fund on an accrual basis of accounting; and

(E) provides information for the prior fiscal year on the annual budget of the Bureau.

(2) The accounting system shall conform to principles and standards prescribed by the Comptroller General to carry out this subsection. The Comptroller General may review the system to ensure conformity to the principles and standards and its effectiveness of operation.

(c) An officer or employee in the clerical-mechanical service of the Bureau assigned to an established shift or tour of duty at least half of which occurs between 6 p.m. and 6 a.m. is entitled to pay for the regular 40-hour week (except when on leave) at a rate of pay 15 percent higher than the day rate for the same work.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 990.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5141(a)	31:181b.	Aug. 4, 1950, ch. 558, §§ 4, 5, 64 Stat. 409.
5141(b)	31:181c.	
5141(c)	31:180.	July 1, 1944, ch. 357, 58 Stat. 648.

In subsection (a), the word "budget" is substituted for "budget program" to eliminate unnecessary words. The words "to the President" are added because of chapter 11 of the revised title.

In subsection (b)(1), before clause (A), the words "Secretary shall maintain" are substituted for "There shall be installed and maintained" because of sections 301 and 303 of the revised title and to eliminate executed words. The words "internal controls" are substituted for "including proper features of internal control" to eliminate unnecessary words. In clause (B), the word "costs" is substituted for "direct and indirect costs" to eliminate unnecessary words. In clause (D), the word "basis" is substituted for "method" for clarity. In clause (E), the words "provides information" are substituted for "supply on the basis of accounting results the data" to eliminate unnecessary words. The word "prior" is substituted for "last completed" for consistency in the revised title.

In subsection (c), the words "An officer or employee" are substituted for "employees" for consistency in the revised title and with other titles of the United States Code. The words "assigned to an established shift or tour of duty at least half of which occurs between the hours of 6 p.m. and 6 a.m." are substituted for "assigned to perform their work at night" and 31:180(proviso) to eliminate unnecessary words.

AUTHORITY OF SPECIAL POLICE OFFICERS

Pub. L. 104-208, div. A, title I, §101(f) [title V, §517], Sept. 30, 1996, 110 Stat. 3009-314, 3009-346, provided that: "Notwithstanding any other provision of law or regulation during the fiscal year ending September 30, 1997, and thereafter:

"(1) The authority of the special police officers of the Bureau of Engraving and Printing, in the Wash-

ington, DC Metropolitan area, extends to buildings and land under the custody and control of the Bureau; to buildings and land acquired by or for the Bureau through lease, unless otherwise provided by the acquisition agency; to the streets, sidewalks and open areas immediately adjacent to the Bureau along Wallenberg Place (15th Street) and 14th Street between Independence and Maine Avenues and C and D Streets between 12th and 14th Streets; to areas which include surrounding parking facilities used by Bureau employees, including the lots at 12th and C Streets, SW, Maine Avenue and Water Streets, SW, Maiden Lane, the Tidal Basin and East Potomac Park; to the protection in transit of United States securities, plates and dies used in the production of United States securities, or other products or implements of the Bureau of Engraving and Printing which the Director of that agency so designates.

"(2) The authority of the special police officers of the United States Mint extends to the buildings and land under the custody and control of the Mint; to the streets, sidewalks and open areas in the vicinity to such facilities; to surrounding parking facilities used by Mint employees; and to the protection in transit of bullion, coins, dies, and other property and assets of, or in the custody of, the Mint.

"(3) The exercise of police authority by Bureau or Mint officers, with the exception of the exercise of authority upon property under the custody and control of the Bureau or the Mint, respectively, shall be deemed supplementary to the Federal police force with primary jurisdictional responsibility. This authority shall be in addition to any other law enforcement authority which has been provided to these officers under other provisions of law or regulations."

Similar provisions were contained in the following prior appropriation acts:

Pub. L. 104-52, title V, §520, Nov. 19, 1995, 109 Stat. 494.
 Pub. L. 103-329, title V, §535, Sept. 30, 1994, 108 Stat. 2414.

§ 5142. Bureau of Engraving and Printing Fund

(a) The Department of the Treasury has a Bureau of Engraving and Printing Fund. Amounts—

- (1) in the Fund are available to operate the Bureau of Engraving and Printing;
- (2) in the Fund remain available until expended; and
- (3) may be appropriated to the Fund.

(b) The Fund consists of—

- (1) property and physical assets (except buildings and land) acquired by the Bureau;
- (2) all amounts received by the Bureau; and
- (3) proceeds from the disposition of property and assets acquired by the Fund.

(c) The capital of the Fund consists of—

- (1) amounts appropriated to the Fund;
- (2) physical assets of the Bureau (except buildings and land) as of the close of business June 30, 1951; and
- (3) all payments made after June 30, 1974, under section 5143 of this title at prices adjusted to permit buying capital equipment and to provide future working capital.

(d) The Secretary shall deposit each fiscal year, in the Treasury as miscellaneous receipts, amounts accruing to the Fund in the prior fiscal year that the Secretary decides are in excess of the needs of the Fund. However, the Secretary may use the excess amounts to restore capital of the Fund reduced by the difference between the charges for services of the Bureau and the cost of providing those services.

(e) The Secretary shall maintain a special deposit account in the Treasury for the Fund. The Secretary shall credit the account with amounts appropriated to the Fund and receipts of the Bureau without depositing the receipts in the Treasury as miscellaneous receipts.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 990.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5142(a)	31:181a(a)(1st sentence), (d).	Aug. 4, 1950, ch. 558, §2, 64 Stat. 409.
5142(b)	31:181a(c).	
5142(c)	31:181a(a)(last sentence), (b), 31:181(note).	July 31, 1977, Pub. L. 95-81, §100(par. under heading "Bureau of Engraving and Printing"), 91 Stat. 342.
5142(d)	31:181a(e).	
5142(e)	31:181a(f).	

In subsection (a), before clause (1), the words "as of July 1, 1951" are omitted as executed. In clause (1), the words "subsequent to June 30, 1951" are omitted as executed. In clause (2), the words "remain available until expended" are substituted for "shall be available without fiscal year limitation" for consistency in the revised title and with other titles of the United States Code.

In subsection (b)(2), the words "amounts received by the Bureau" are substituted for "all amounts recoverable as provided in section 181 of this title for the costs of work and services performed by the Bureau, and all other amounts receivable by the Bureau from whatever sources derived" to eliminate unnecessary words.

In subsection (c)(1), the words "amounts appropriated to the Fund" are substituted for "an initial appropriation by the Congress to the fund of not to exceed \$5,000,000 and such additional amounts as from time to time may be appropriated for the purposes of the fund" to eliminate unnecessary words.

In subsection (c)(2), the words "such inventories and other physical assets to be capitalized at fair and reasonable values to be determined by the Secretary" are omitted as executed. The words "receivables and the inventories" are omitted as covered by "physical assets". The words "unexpended balances of appropriations" are omitted as unnecessary because of clause (1).

In subsection (c)(3), the words "\$5,000,000, to remain available until expended" are omitted as unnecessary because of the source provision restated in subsection (a)(2) of this section. The text of 31:181a(a)(3) and (b) is omitted as executed.

In subsection (d), the words "each fiscal year" are substituted for "ensuing fiscal year", and the words "prior fiscal year" are added, because of the restatement. The word "Secretary" is added because of sections 301 and 303 of the revised title. The words "decides are in excess of the needs of the Fund" are substituted for "surplus" for consistency in the chapter. The words "may use" are substituted for "may be applied first" to eliminate unnecessary words. The word "reduced" is substituted for "impairment" for clarity.

In subsection (e), the words "Secretary shall maintain" are substituted for "shall be established" because of sections 301 and 303 of the revised title and to eliminate executed words. The words "in the Treasury" are substituted for "with the Treasurer of the United States" because of Department of the Treasury Order 229 of January 14, 1974 (39 F.R. 2280). The text of 31:181a(f)(last sentence) is omitted as unnecessary because of the source provisions restated in section 3325 of the revised title.

§ 5143. Payment for services

The Secretary of the Treasury shall impose charges for Bureau of Engraving and Printing

services the Secretary provides to an agency or to a foreign government under section 5114. The charges shall be in amounts the Secretary considers adequate to cover the costs of the services (including administrative and other costs related to providing the services). The agency shall pay promptly bills submitted by the Secretary, and the Secretary shall take such action, in coordination with the Secretary of State, as may be appropriate to ensure prompt payment by a foreign government of any invoice or statement of account submitted by the Secretary with respect to services rendered under section 5114.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 991; Pub. L. 108-458, title VI, §6301(b), Dec. 17, 2004, 118 Stat. 3748.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5143	31:181.	Aug. 4, 1950, ch. 558, §1, 64 Stat. 408.

The word "costs" is substituted for "direct and indirect costs" to eliminate unnecessary words. The words "shall make payment therefor" are omitted as unnecessary because of the restatement. The words "from funds available to it for such purposes" are omitted as surplus.

AMENDMENTS

2004—Pub. L. 108-458 inserted "or to a foreign government under section 5114" after "provides to an agency", "and other" after "including administrative", and "and the Secretary shall take such action, in coordination with the Secretary of State, as may be appropriate to ensure prompt payment by a foreign government of any invoice or statement of account submitted by the Secretary with respect to services rendered under section 5114" before period at end.

§ 5144. Providing impressions of portraits and vignettes

The Secretary of the Treasury may provide impressions from an engraved portrait or vignette in the possession of the Bureau of Engraving and Printing. An impression shall be provided—

- (1) at the request of—
 - (A) a member of Congress;
 - (B) a head of an agency;
 - (C) an art association; or
 - (D) a library; and

(2) for a charge and under conditions the Secretary decides are necessary to protect the public interest.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 991.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5144	31:174.	Dec. 22, 1879, ch. 2, 21 Stat. 59.

In the section, before clause (1), the word "engraved" is added before "portrait" because of the restatement. The words "in the possession" are substituted for "which is now, or may be a part of the engraved stock" to eliminate unnecessary words. The words "An impression shall be provided" are added because of the restatement. In clause (1)(A), the words "member of Congress" are substituted for "Senator, Representative, or Delegate in Congress" for consistency. In clause (1)(B),

the word “agency” is substituted for “department or bureau” because of section 101 of the revised title and for consistency in the revised title. In clause (2), the words “for a charge and under conditions the Secretary decides are” are substituted for “at such rates and under such conditions as he may deem” for consistency.

SUBCHAPTER V—MISCELLANEOUS

§ 5151. Conversion of currency of foreign countries

(a) In this section—

(1) “buying rate” means the buying rate in the market in New York, New York, for cable transfers payable in the currency of a foreign country to be converted.

(2) when merchandise is exported on a day that banks are generally closed in New York, the buying rate at noon on the last prior business day is deemed to be the buying rate at noon on the day the merchandise is exported.

(b) The value of coins of a foreign country expressed in United States money is the value of the pure metal of the standard coin of the foreign country. The Secretary of the Treasury shall estimate the values of standard coins of the country quarterly and publish the values on the first day of January, April, July, and October of each year.

(c) Except as provided in this section, conversion of currency of a foreign country into United States currency for assessment and collection of duties on merchandise imported into the United States shall be made at values published by the Secretary under subsection (b) of this section for the quarter in which the merchandise is exported.

(d) If the Secretary has not published a value for the quarter in which the merchandise is exported, or if the value published by the Secretary varies by at least 5 percent from a value measured by the buying rate at noon on the day the merchandise is exported, the conversion of the currency of the foreign country shall be made at a value—

(1) equal to the buying rate at noon on the day the merchandise is exported; or

(2) prescribed by regulation of the Secretary for the currency that is equal to the first buying rate certified for that currency by the Federal Reserve Bank of New York under subsection (e) of this section in the quarter in which the merchandise is exported, but only if the buying rate at noon on the day the merchandise is exported varies less than 5 percent from the buying rate first certified.

(e) The Federal Reserve Bank of New York shall decide the buying rate and certify the rate to the Secretary. The Secretary shall publish the rate at times and to the extent the Secretary considers necessary. In deciding the buying rate, the Bank may—

(1) consider the last ascertainable transactions and quotations (direct or through exchange of other currencies); and

(2) if there is no buying rate, calculate the rate from—

(A) actual transactions and quotations in demand or time bills of exchange; or

(B) the last ascertainable transactions and quotations outside the United States in or

for exchange payable in United States currency or foreign currency.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 991.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5151(a)	31:372(c)(2)(1st sentence), (3).	June 17, 1930, ch. 497, § 522(c), 46 Stat. 740; restated Aug. 2, 1956, ch. 887, § 3, 70 Stat. 946.
5151(b)	31:372(a).	Aug. 27, 1894, ch. 349, § 25, 28 Stat. 552; May 27, 1921, ch. 14, § 403(a), 42 Stat. 17; restated June 17, 1930, ch. 497, § 522(a), 46 Stat. 739.
5151(c)	31:372(b).	June 17, 1930, ch. 497, § 522(b), 46 Stat. 740.
5151(d)	31:372(c)(1).	
5151(e)	31:372(c)(2)(2d, last sentences).	

In subsection (b), the words “United States money” are substituted for “money of account” for consistency in the chapter. The words “standard coins of the country” are substituted for “values of standard coins in circulation of the various nations of the world” to eliminate unnecessary words. The words “Secretary of the Treasury” are substituted for “Director of the Mint” because of the source provisions restated in section 321(c) of the revised title.

In subsection (c), the words “on or after June 17, 1930” are omitted as executed.

In subsection (d)(1), the words “buying rate at noon on the day the merchandise is exported” are substituted for “such buying rate” for clarity.

In subsection (d)(2), the words “that is equal to” are substituted for “at a value measured by” because of the restatement.

In subsection (e)(2), the words “buying rate” are substituted for “market buying rate for such cable transfers” to eliminate unnecessary words.

§ 5152. Value of United States money holdings in international institutions

The Secretary of the Treasury shall maintain the value in terms of gold of the holdings of United States money of the International Bank for Reconstruction and Development, the Inter-American Development Bank, the International Development Association, and the Asian Development Bank to the extent provided in the articles of agreement of those institutions. Amounts necessary to maintain the value may be appropriated. Amounts appropriated under this section remain available until expended.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 992.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5152	31:449a.	Mar. 31, 1972, Pub. L. 92-268, § 3, 86 Stat. 117.

The word “money” is substituted for “dollars” for consistency in the revised title. The words “the International Monetary Fund” are omitted as obsolete because of section 9 of the Act of October 19, 1976 (Pub. L. 94-564, 90 Stat. 2661).

§ 5153. Counterfeit currency

Disbursing officials of the United States Government and officers of national banks shall stamp or mark the word “counterfeit”, “altered”, or “worthless” on counterfeit notes intended to circulate as currency that are presented to them. An official or officer wrongfully

stamping or marking an item of genuine United States currency (including a Federal reserve note or a circulating note of Federal reserve banks and national banks) shall redeem the currency at face value when presented.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 992.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5153	31:424.	June 30, 1876, ch. 156, § 5, 19 Stat. 64.

The words “Disbursing officials” are substituted for “officers charged with the receipt or disbursement of public moneys” for consistency in the revised title and other titles of the United States Code. The word “mark” is substituted for “write in plain letters” to eliminate unnecessary words. The words “counterfeit notes intended to circulate as currency” are substituted for “all fraudulent notes issued in the form of, and intended to circulate as money” for consistency in the revised title and with other titles of the Code. The last sentence is substituted for the words following the semicolon in 31:424 for clarity and to reflect the legislative history of the derivative source. See 4 Cong. Rec. 2225-2228, 3148. In that sentence, the words “United States currency (including a Federal reserve note or a circulating note of Federal reserve banks and national banks)” are substituted for “any genuine note of the United States, or of the national banks” for consistency with section 5103 of the revised title.

§ 5154. State taxation

A State or a territory or possession of the United States may tax United States coins and currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks) as money on hand or on deposit in the same way and at the same rate that the State, territory, or possession taxes other forms of money. This section does not affect a law taxing national banks.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 992; Pub. L. 97-452, §1(22), Jan. 12, 1983, 96 Stat. 2477.)

HISTORICAL AND REVISION NOTES
1982 ACT

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5154	31:425, 426.	Aug. 13, 1894, ch. 281, 28 Stat. 278.

The words “United States coins and currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks)” are substituted for “Circulating notes of national banking associations and United States legal tender notes and other notes and certificates of the United States payable on demand and circulating or intended to circulate as currency and gold, silver, or other coin” in 31:425 to eliminate unnecessary words and for consistency with section 5103 of the revised title.

1983 ACT

This restates 31:5154 to clarify the intent of the section. See 26 Cong. Rec. 7152, 7170 (1894).

AMENDMENTS

1983—Pub. L. 97-452 substituted “other forms of money” for “United States coins and currency circulating within its jurisdiction”.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment effective Sept. 13, 1982, see section 2(i) of Pub. L. 97-452, set out as a note under section 3331 of this title.

§ 5155. Providing engraved plates of portraits of deceased members of Congress

On conditions the Secretary of the Treasury decides, the Secretary may send an engraved plate of a portrait of a deceased Senator or Representative to an heir or legal representative of such a Senator or Representative.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 993.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5155	31:175.	July 1, 1916, ch. 209, §1(3d par. on p. 275), 39 Stat. 275.

The words “terms and” are omitted as being included in “conditions”. The words “that have been or may be made” are omitted as unnecessary.

CHAPTER 53—MONETARY TRANSACTIONS

SUBCHAPTER I—CREDIT AND MONETARY EXPANSION

- Sec. 5301. Buying obligations of the United States Government.
- 5302. Stabilizing exchange rates and arrangements.
- 5303. Reserved coins and currencies of foreign countries.
- 5304. Regulations.

SUBCHAPTER II—RECORDS AND REPORTS ON MONETARY INSTRUMENTS TRANSACTIONS

- 5311. Declaration of purpose.
- 5312. Definitions and application.
- 5313. Reports on domestic coins and currency transactions.
- 5314. Records and reports on foreign financial agency transactions.
- 5315. Reports on foreign currency transactions.
- 5316. Reports on exporting and importing monetary instruments.
- 5317. Search and forfeiture of monetary instruments.
- 5318. Compliance, exemptions, and summons authority.
- 5318A. Special measures for jurisdictions, financial institutions, international transactions, or types of accounts of primary money laundering concern.
- 5319. Availability of reports.
- 5320. Injunctions.
- 5321. Civil penalties.
- 5322. Criminal penalties.
- 5323. Rewards for informants.
- 5324. Structuring transactions to evade reporting requirement prohibited.
- 5325. Identification required to purchase certain monetary instruments.
- 5326. Records of certain domestic coin and currency transactions.
- [5327. Repealed.]
- 5328. Whistleblower protections.
- 5329. Staff commentaries.
- 5330. Registration of money transmitting businesses.
- 5331. Reports relating to coins and currency received in nonfinancial trade or business.
- 5332. Bulk cash smuggling into or out of the United States.

SUBCHAPTER III—MONEY LAUNDERING AND RELATED FINANCIAL CRIMES

- 5340. Definitions.

Sec.

PART 1—NATIONAL MONEY LAUNDERING AND RELATED FINANCIAL CRIMES STRATEGY

- 5341. National money laundering and related financial crimes strategy.
- 5342. High-risk money laundering and related financial crime areas.

PART 2—FINANCIAL CRIME-FREE COMMUNITIES SUPPORT PROGRAM

- 5351. Establishment of financial crime-free communities support program.
- 5352. Program authorization.
- 5353. Information collection and dissemination with respect to grant recipients.
- 5354. Grants for fighting money laundering and related financial crimes.
- 5355. Authorization of appropriations.

SUBCHAPTER IV—PROHIBITION ON FUNDING OF UNLAWFUL INTERNET GAMBLING

- 5361. Congressional findings and purpose.
- 5362. Definitions.
- 5363. Prohibition on acceptance of any financial instrument for unlawful Internet gambling.
- 5364. Policies and procedures to identify and prevent restricted transactions.
- 5365. Civil remedies.
- 5366. Criminal penalties.
- 5367. Circumventions prohibited.

AMENDMENTS

2006—Pub. L. 109-347, title VIII, §802(b), Oct. 13, 2006, 120 Stat. 1961, added subchapter IV heading and items 5361 to 5367.

2004—Pub. L. 108-458, title VI, §6203(i), Dec. 17, 2004, 118 Stat. 3747, substituted item 5318A for former item 5318A “Special measures for jurisdictions, financial institutions, or international transactions of primary money laundering concern”.

Pub. L. 108-458, title VI, §6202(n)(1), (o), Dec. 17, 2004, 118 Stat. 3746, amended Pub. L. 107-56, §365. See 2001 Amendment note below.

2001—Pub. L. 107-56, title III, §365(d), formerly §365(c), Oct. 26, 2001, 115 Stat. 335, as renumbered and amended by Pub. L. 108-458, title VI, §6202(n)(1), (o), Dec. 17, 2004, 118 Stat. 3746, added item 5331.

Pub. L. 107-56, title III, §§311(b), 371(c), Oct. 26, 2001, 115 Stat. 304, 338, added items 5318A and 5332.

1998—Pub. L. 105-310, §2(b), Oct. 30, 1998, 112 Stat. 2948, added subchapter III heading, parts 1 and 2 headings, and items 5340 to 5355.

1996—Pub. L. 104-208, div. A, title II, §2223(2), Sept. 30, 1996, 110 Stat. 3009-415, struck out item 5327 “Identification of financial institutions”.

1994—Pub. L. 103-325, title III, §311(b), title IV, §408(d), Sept. 23, 1994, 108 Stat. 2221, 2252, added items 5329 and 5330.

1992—Pub. L. 102-550, title XV, §§1511(c), 1563(b), Oct. 28, 1992, 106 Stat. 4057, 4073, added items 5327 and 5328.

1988—Pub. L. 100-690, title VI, §6185(f), Nov. 18, 1988, 102 Stat. 4357, added items 5325 and 5326.

1986—Pub. L. 99-570, title I, §§1354(b), 1356(d), Oct. 27, 1986, 100 Stat. 3207-22, 3207-25, substituted “Compliance, exemptions, and summons authority” for “Compliance and exemptions” in item 5318 and added item 5324.

1984—Pub. L. 98-473, title II, §901(f), Oct. 12, 1984, 98 Stat. 2136, added item 5323.

SUBCHAPTER I—CREDIT AND MONETARY EXPANSION

§ 5301. Buying obligations of the United States Government

(a) The President may direct the Secretary of the Treasury to make an agreement with the Federal reserve banks and the Board of Governors of the Federal Reserve System when the

President decides that the foreign commerce of the United States is affected adversely because—

(1) the value of coins and currency of a foreign country compared to the present standard value of gold is depreciating;

(2) action is necessary to regulate and maintain the parity of United States coins and currency;

(3) an economic emergency requires an expansion of credit; or

(4) an expansion of credit is necessary so that the United States Government and the governments of other countries can stabilize the value of coins and currencies of a country.

(b) Under an agreement under subsection (a) of this section, the Board shall permit the banks (and the Board is authorized to permit the banks notwithstanding another law) to agree that the banks will—

(1) conduct through each entire specified period open market operations in obligations of the United States Government or corporations in which the Government is the majority stockholder; and

(2) buy directly and hold an additional \$3,000,000,000 of obligations of the Government for each agreed period, unless the Secretary consents to the sale of the obligations before the end of the period.

(c) With the approval of the Secretary, the Board may require Federal reserve banks to take action the Secretary and Board consider necessary to prevent unreasonable credit expansion.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 993.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5301(a), (b).	31:821(less (a)(last sentence)).	May 12, 1933, ch. 25, §43(less (b)(1)(last sentence)), 48 Stat. 51; Jan. 30, 1934, ch. 6, §12, 48 Stat. 342; Jan. 23, 1937, ch. 5, §2, 50 Stat. 4; July 6, 1939, ch. 260, §3, 53 Stat. 998; June 30, 1941, ch. 265, §2, 55 Stat. 396; June 12, 1945, ch. 186, §4, 59 Stat. 238; Mar. 18, 1968, Pub. L. 90-269, §9, 82 Stat. 50.
5301(c)	31:821(a)(last sentence).	

In subsection (a), before clause (1), the text of 31:821(b)(matter before (1)) is omitted as obsolete because clause (1) is omitted as executed, and clause (2) is omitted as expired. The text of 31:821(b)(matter after (2)) is omitted as obsolete because silver is no longer coined. The words “in his discretion” and “several” are omitted as surplus. The words “Board of Governors of the Federal Reserve System” are substituted for “Federal Reserve Board” because of 12:241. The words “upon investigation” are omitted as surplus. In clause (1), the word “foreign” is substituted for “of any other government or governments” to eliminate unnecessary words. The words “coins and” are added for consistency. In clause (2), the words “United States coins and currency” are substituted for “currency issues of the United States” for consistency. In clause (4), the words “so that the United States Government and the governments of other countries can stabilize” are substituted for “to secure by international agreement a stabilization” for clarity. The words “at proper levels” are omitted as surplus.

In subsection (b), before clause (1), the words “(and the Board is authorized to permit the banks notwith-

standing another law)” are substituted for “notwithstanding any provisions of law or rules and regulations to the contrary” for clarity. In clause (1), the words “pursuant to existing law” are omitted as surplus. The words “through each entire” are substituted for “throughout” for clarity. In clause (2), the words “in portfolio”, “or periods of time Treasury bills or other” and “in an aggregate sum of” are omitted as surplus.

SHORT TITLE OF 2006 AMENDMENT

Pub. L. 109-347, title VIII, §801, Oct. 13, 2006, 120 Stat. 1952, provided that: “This title [enacting sections 5361 to 5367 of this title and provisions set out as a note under section 5361 of this title] may be cited as the ‘Unlawful Internet Gambling Enforcement Act of 2006’.”

SHORT TITLE OF 2004 AMENDMENT

Pub. L. 108-458, title VI, §6201, Dec. 17, 2004, 118 Stat. 3745, provided that: “This subtitle [subtitle C (§§ 6201-6205) of title VI of Pub. L. 108-458, amending sections 310, 5312, 5318, 5318A, 5324, and 5332 of this title, sections 1828, 1829b, and 1953 of Title 12, Banks and Banking, section 1681v of Title 15, Commerce and Trade, and section 262p-4r of Title 22, Foreign Relations and Intercourse, enacting provisions set out as a note under section 1828 of Title 12, amending provisions set out as notes under sections 310, 5311, and 5331 of this title and sections 1828 and 1842 of Title 12, and repealing provisions set out as a note under section 5311 of this title] may be cited as the ‘International Money Laundering Abatement and Financial Antiterrorism Technical Corrections Act of 2004’.”

SHORT TITLE OF 2001 AMENDMENT

Pub. L. 107-56, title III, §301, Oct. 26, 2001, 115 Stat. 296, provided that: “This title [enacting sections 310, 5318A, 5331, and 5332 of this title, section 1681v of Title 15, Commerce and Trade, and section 262p-4r of Title 22, Foreign Relations and Intercourse, amending sections 5311, 5312, 5317, 5318, 5319, 5321, 5322, 5324, 5326, 5328, 5330, and 5341 of this title, sections 248, 1828, 1829b, 1842, 1953, 3412, 3414, and 3420 of Title 12, Banks and Banking, section 1681u of Title 15, sections 470 to 474, 476 to 484, 493, 981 to 983, 1029, 1956, and 1960 of Title 18, Crimes and Criminal Procedure, section 853 of Title 21, Food and Drugs, and sections 2466 and 2467 of Title 28, Judiciary and Judicial Procedure, renumbering former section 310 of this title as section 311, and enacting provisions set out as notes under sections 310, 5311, 5313, 5314, 5318, 5331, and 5332 of this title, sections 1828, 1829b, and 1842 of Title 12, and section 983 of Title 18] may be cited as the ‘International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001’.”

SHORT TITLE OF 1998 AMENDMENT

Pub. L. 105-310, §1, Oct. 30, 1998, 112 Stat. 2941, provided that: “This Act [enacting subchapter III of this chapter and provisions set out as a note under section 5342 of this title] may be cited as the ‘Money Laundering and Financial Crimes Strategy Act of 1998’.”

SHORT TITLE OF 1994 AMENDMENT

Pub. L. 103-325, title IV, §401, Sept. 23, 1994, 108 Stat. 2243, provided that: “This title [enacting section 5330 of this title, amending sections 5312, 5313, 5318, 5321, 5322, and 5324 of this title, sections 93, 1464, 1772d, 1786, 1818, and 1821 of Title 12, Banks and Banking, and sections 984, 986, 1956, 1957, and 1960 of Title 18, Crimes and Criminal Procedure, and enacting provisions set out as notes under sections 5311, 5313, 5318, and 5330 of this title] may be cited as the ‘Money Laundering Suppression Act of 1994’.”

§ 5302. Stabilizing exchange rates and arrangements

(a)(1) The Department of the Treasury has a stabilization fund. The fund is available to carry out this section, section 18 of the Bretton Woods

Agreement Act (22 U.S.C. 286e-3), and section 3 of the Special Drawing Rights Act (22 U.S.C. 286o), and for investing in obligations of the United States Government those amounts in the fund the Secretary of the Treasury, with the approval of the President, decides are not required at the time to carry out this section. Proceeds of sales and investments, earnings, and interest shall be paid into the fund and are available to carry out this section. However, the fund is not available to pay administrative expenses.

(2) Subject to approval by the President, the fund is under the exclusive control of the Secretary, and may not be used in a way that direct control and custody pass from the President and the Secretary. Decisions of the Secretary are final and may not be reviewed by another officer or employee of the Government.

(b) Consistent with the obligations of the Government in the International Monetary Fund on orderly exchange arrangements and a stable system of exchange rates, the Secretary or an agency designated by the Secretary, with the approval of the President, may deal in gold, foreign exchange, and other instruments of credit and securities the Secretary considers necessary. However, a loan or credit to a foreign entity or government of a foreign country may be made for more than 6 months in any 12-month period only if the President gives Congress a written statement that unique or emergency circumstances require the loan or credit be for more than 6 months.

(c)(1) By the 30th day after the end of each month, the Secretary shall give the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a detailed financial statement on the stabilization fund showing all agreements made or renewed, all transactions occurring during the month, and all projected liabilities.

(2) The Secretary shall report each year to the President and Congress on the operation of the fund.

(d) A repayment of any part of the first subscription payment of the Government to the International Monetary Fund, previously paid from the stabilization fund, shall be deposited in the Treasury as a miscellaneous receipt.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 994.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5302(a)	31:822a(b)(1).	Jan. 30, 1934, ch. 6, §10(a), (b)(1), (c), 48 Stat. 341, 342; Jan. 23, 1937, ch. 5, §1, 50 Stat. 4; July 6, 1939, ch. 260, §§1, 2, 53 Stat. 998; June 30, 1941, ch. 265, §1, 55 Stat. 395; Apr. 29, 1943, ch. 76, 57 Stat. 68; July 31, 1945, ch. 339, §7(a), 59 Stat. 514; Dec. 30, 1970, Pub. L. 91-599, §§41, 42, 84 Stat. 1659; Oct. 19, 1976, Pub. L. 94-564, §7, 90 Stat. 2661; Oct. 28, 1977, Pub. L. 95-147, §4(b), 91 Stat. 1229; Nov. 8, 1978, Pub. L. 95-612, §§1, 6, 92 Stat. 3091, 3092.
5302(b)	31:822a(a)(1st sentence).	
5302(c)(1)	31:822a(b)(2).	Jan. 30, 1934, ch. 6, 48 Stat. 337, §10(b)(2); added Nov. 8, 1978, Pub. L. 95-612, §6, 92 Stat. 3092.

HISTORICAL AND REVISION NOTES—CONTINUED

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5302(c)(2)	31:822a(a)(last sentence).	
5302(d)	31:822a(c).	

In subsection (a)(1), the words “The Department of the Treasury has a stabilization fund” are substituted for “there is appropriated, out of the receipts which are directed to be covered into the Treasury under section 408b of this title, the sum of \$2,000,000,000, which sum when available shall be deposited in the United States Treasury in a stabilization fund” because the fund has been established. The words “(hereinafter called the ‘fund’)” are omitted as unnecessary because of the re-statement. The words “To enable the Secretary of the Treasury” and “The fund shall be available for expenditure, under the direction of the Secretary of the Treasury and in his discretion, for any purpose in connection with carrying out the provisions of this section” are omitted as surplus. The words “section 18 of the Bretton Woods Agreement Act (22 U.S.C. 286e–3), and section 3 of the Special Drawing Rights Act (22 U.S.C. 286o)” are added for clarity. The words “and reinvestment” and “direct” are omitted as surplus. The word “Government” is added for consistency. The words “accruing under the operations of this section” are omitted as surplus. The words “to carry out this section” after “are available” are substituted for “for the purposes of the fund” for consistency.

In subsection (b), the words “directly . . . through” and “for the account of the fund established in this section” are omitted as surplus. The words “government of a foreign country” are substituted for “foreign government” for consistency in the revised title and with other titles of the United States Code. The words “by or through such fund” are omitted as surplus.

In subsection (c)(1), the word “calendar” is omitted as surplus. The words “beginning after the effective date of this paragraph” are omitted as executed. The words “to occur” are omitted as surplus.

In subsection (d), the words “any part of the first subscription payment of the Government to the International Monetary Fund, previously paid from the stabilization fund” are substituted for 31:822a(c)(words before semicolon) and “thereof” for clarity because the payment has been made.

CHANGE OF NAME

Committee on Banking, Finance and Urban Affairs of House of Representatives treated as referring to Committee on Banking and Financial Services of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Banking and Financial Services of House of Representatives abolished and replaced by Committee on Financial Services of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred from Committee on Energy and Commerce of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

MEXICAN DEBT DISCLOSURE

Pub. L. 104–6, title IV, Apr. 10, 1995, 109 Stat. 89, provided that:

“SEC. 401. SHORT TITLE.

“This title may be cited as the ‘Mexican Debt Disclosure Act of 1995’.

“SEC. 402. FINDINGS.

“The Congress finds that—

“(1) Mexico is an important neighbor and trading partner of the United States;

“(2) on January 31, 1995, the President approved a program of assistance to Mexico, in the form of swap facilities and securities guarantees in the amount of \$20,000,000,000, using the exchange stabilization fund;

“(3) the program of assistance involves the participation of the Board of Governors of the Federal Reserve System, the International Monetary Fund, the Bank for International Settlements, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Bank of Canada, and several Latin American countries;

“(4) the involvement of the exchange stabilization fund and the Board of Governors of the Federal Reserve System means that United States taxpayer funds will be used in the assistance effort to Mexico;

“(5) assistance provided by the International Monetary Fund, the International Bank for Reconstruction and Development, and the Inter-American Development Bank may require additional United States contributions of taxpayer funds to those entities;

“(6) the immediate use of taxpayer funds and the potential requirement for additional future United States contributions of taxpayer funds necessitates congressional oversight of the disbursement of funds; and

“(7) the efficacy of the assistance to Mexico is contingent on the pursuit of sound economic policy by the Government of Mexico.

“SEC. 403. PRESIDENTIAL REPORTS.

“(a) REPORTING REQUIREMENT.—Not later than June 30, 1995, and every 6 months thereafter, the President shall transmit to the appropriate congressional committees a report concerning all guarantees issued to, and short-term and long-term currency swaps with, the Government of Mexico by the United States Government, including the Board of Governors of the Federal Reserve System.

“(b) CONTENTS OF REPORTS.—Each report described in subsection (a) shall contain a description of the following actions taken, or economic situations existing, during the preceding 6-month period or, in the case of the initial report, during the period beginning on the date of enactment of this Act [Apr. 10, 1995]:

“(1) Changes in wage, price, and credit controls in the Mexican economy.

“(2) Changes in taxation policy of the Government of Mexico.

“(3) Specific actions taken by the Government of Mexico to further privatize the economy of Mexico.

“(4) Actions taken by the Government of Mexico in the development of regulatory policy that significantly affected the performance of the Mexican economy.

“(5) Consultations concerning the program approved by the President, including advice on economic, monetary, and fiscal policy, held between the Government of Mexico and the Secretary of the Treasury (including any designee of the Secretary) and the conclusions resulting from any periodic reviews undertaken by the International Monetary Fund pursuant to the Fund’s loan agreements with Mexico.

“(6) All outstanding loans, credits, and guarantees provided to the Government of Mexico, by the United States Government, including the Board of Governors of the Federal Reserve System, set forth by category of financing.

“(7) The progress the Government of Mexico has made in stabilizing the peso and establishing an independent central bank or currency board.

“(c) SUMMARY OF TREASURY DEPARTMENT REPORTS.—In addition to the information required to be included under subsection (b), each report required under this section shall contain a summary of the information contained in all reports submitted under section 404 during the period covered by the report required under this section.

“SEC. 404. REPORTS BY THE SECRETARY OF THE TREASURY.

“(a) REPORTING REQUIREMENT.—Beginning on the last day of the first month which begins after the date of enactment of this Act [Apr. 10, 1995], and on the last day of every month thereafter, the Secretary of the

Treasury shall submit to the appropriate congressional committees a report concerning all guarantees issued to, and short-term and long-term currency swaps with, the Government of Mexico by the United States Government, including the Board of Governors of the Federal Reserve System.

“(b) CONTENTS OF REPORTS.—Each report described in subsection (a) shall include a description of the following actions taken, or economic situations existing, during the month in which the report is required to be submitted:

“(1) The current condition of the Mexican economy.

“(2) The reserve positions of the central bank of Mexico and data relating to the functioning of Mexican monetary policy.

“(3) The amount of any funds disbursed from the exchange stabilization fund pursuant to the program of assistance to the Government of Mexico approved by the President on January 31, 1995.

“(4) The amount of any funds disbursed by the Board of Governors of the Federal Reserve System pursuant to the program of assistance referred to in paragraph (3).

“(5) Financial transactions, both inside and outside of Mexico, made during the reporting period involving funds disbursed to Mexico from the exchange stabilization fund or proceeds of Mexican Government securities guaranteed by the exchange stabilization fund.

“(6) All outstanding guarantees issued to, and short-term and medium-term currency swaps with, the Government of Mexico by the Secretary of the Treasury, set forth by category of financing.

“(7) All outstanding currency swaps with the central bank of Mexico by the Board of Governors of the Federal Reserve System and the rationale for, and any expected costs of, such transactions.

“(8) The amount of payments made by customers of Mexican petroleum companies that have been deposited in the account at the Federal Reserve Bank of New York established to ensure repayment of any payment by the United States Government, including the Board of Governors of the Federal Reserve System, in connection with any guarantee issued to, or any swap with, the Government of Mexico.

“(9) Any setoff by the Federal Reserve Bank of New York against funds in the account described in paragraph (8).

“(10) To the extent such information is available, once there has been a setoff by the Federal Reserve Bank of New York, any interruption in deliveries of petroleum products to existing customers whose payments were setoff.

“(11) The interest rates and fees charged to compensate the Secretary of the Treasury for the risk of providing financing.

“SEC. 405. TERMINATION OF REPORTING REQUIREMENTS.

“The requirements of sections 403 and 404 shall terminate on the date that the Government of Mexico has paid all obligations with respect to swap facilities and guarantees of securities made available under the program approved by the President on January 31, 1995.

“SEC. 406. PRESIDENTIAL CERTIFICATION REGARDING SWAP OF CURRENCIES TO MEXICO THROUGH EXCHANGE STABILIZATION FUND OR FEDERAL RESERVE.

“(a) IN GENERAL.—Notwithstanding any other provision of law, no loan, credit, guarantee, or arrangement for a swap of currencies to Mexico through the exchange stabilization fund or by the Board of Governors of the Federal Reserve System may be extended or (if already extended) further utilized, unless and until the President submits to the appropriate congressional committees a certification that—

“(1) there is no projected cost (as defined in the Credit Reform Act of 1990 [probably means the Federal Credit Reform Act of 1990, 2 U.S.C. 661 et seq.] to the United States from the proposed loan, credit, guarantee, or currency swap;

“(2) all loans, credits, guarantees, and currency swaps are adequately backed to ensure that all United States funds are repaid;

“(3) the Government of Mexico is making progress in ensuring an independent central bank or an independent currency control mechanism;

“(4) Mexico has in effect a significant economic reform effort; and

“(5) the President has provided the documents described in paragraphs (1) through (28) of House Resolution 80, adopted March 1, 1995.

“(b) TREATMENT OF CLASSIFIED OR PRIVILEGED MATERIAL.—For purposes of the certification required by subsection (a)(5), the President shall specify, in the case of any document that is classified or subject to applicable privileges, that, while such document may not have been produced to the House of Representatives, in lieu thereof it has been produced to specified Members of Congress or their designees by mutual agreement among the President, the Speaker of the House, and the chairmen and ranking members of the Committee on Banking and Financial Services [now Committee on Financial Services], the Committee on International Relations [now Committee on Foreign Affairs], and the Permanent Select Committee on Intelligence of the House.

“SEC. 407. DEFINITIONS.

“For purposes of this title, the following definitions shall apply:

“(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ‘appropriate congressional committees’ means the Committees on International Relations [now Committee on Foreign Affairs] and Banking and Financial Services [now Committee on Financial Services] of the House of Representatives, the Committees on Foreign Relations and Banking, Housing, and Urban Affairs of the Senate, and the Committees on Appropriations of the House of Representatives and the Senate.

“(2) EXCHANGE STABILIZATION FUND.—The term ‘exchange stabilization fund’ means the stabilization fund referred to in section 5302(a)(1) of title 31, United States Code.”

CERTIFICATION REGARDING USE OF EXCHANGE STABILIZATION FUND AND FEDERAL RESERVE IN RELATION TO ECONOMIC CRISIS IN MEXICO

Memorandum of President of the United States, June 29, 1995, 60 F.R. 35113, provided:

Memorandum for the Secretary of the Treasury

On January 31, 1995, I approved a program of assistance to Mexico, in the form of swap facilities and securities guarantees in an amount not to exceed \$20 billion, using the Exchange Stabilization Fund (the “ESF program”).

By virtue of the authority vested in me by the Constitution and the laws of the United States, including section 301 of title 3, United States Code, and section 406 of the Emergency Supplemental Appropriations and Rescissions for the Department of Defense to Preserve and Enhance Military Readiness Act of 1995 (Public Law 104-6) [set out above], I hereby certify that:

(1) There is no projected cost (as defined in the Federal Credit Reform Act of 1990 [2 U.S.C. 661 et seq.]) to the United States from the proposed swap transaction.

(2) All loans, credits, guarantees, and currency swaps to Mexico from the Exchange Stabilization Fund or the Federal Reserve System are adequately backed to ensure that all United States funds are repaid.

(3) The Government of Mexico is making progress in ensuring an independent central bank.

(4) Mexico has in effect a significant economic reform effort.

(5) The Executive Branch has provided the documents requested by House Resolution 80 adopted March 1, 1995, and described in paragraphs (1) through (28) of that Resolution. All documents identified as responsive to the Resolution have been provided to the entire House of Representatives. Pursuant to the terms of the

Resolution, the Executive Branch has not provided those documents as to which the Executive Branch has informed the House that it would be inconsistent with the public interest to provide the documents to the House. Pursuant to arrangements for safekeeping of classified materials in House facilities, classified documents have been provided to the House by making them available either at designated, secure House facilities or at Executive Branch facilities. Each agency, including the Federal Reserve Board, has advised the House of the procedures employed by that agency to provide the documents requested by House Resolution 80.

I have been informed that the Board of Governors of the Federal Reserve System has provided the documents requested by House Resolution 80 and described in paragraphs (1) through (28) of that Resolution.

I hereby delegate to you the reporting requirement contained in section 406 of Public Law 104-6 [set out above]. You are authorized and requested to report this certification immediately to the Speaker of the House and appropriate congressional committees, as defined in section 407 of Public Law 104-6 [set out above].

I also hereby delegate to you the reporting requirement contained in section 403 of Public Law 104-6 [set out above].

You are authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON.

Prior certifications were contained in the following: Memorandum of President of the United States, May 17, 1995, 60 F.R. 27395.

Memorandum of President of the United States, Apr. 14, 1995, 60 F.R. 19485.

§ 5303. Reserved coins and currencies of foreign countries

An agency may use coins and currencies of a foreign country the United States Government holds that are or may be reserved for a specific program or activity of an agency. The agency shall reimburse the Treasury from appropriations and shall replace the coins and currencies when they are needed for the program or activity for which they were reserved originally.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 994.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5303	31:938.	Oct. 15, 1966, Pub. L. 89-677, 80 Stat. 955.

The word “Federal” is omitted as unnecessary because of the definition of “agency” in section 101 of the revised title. The words “coins and” and “Government” are added for consistency. The words “or set aside” and “of the Government” are omitted as surplus. The words “The agency shall reimburse . . . shall replace” are substituted for “except (1) that reimbursement shall be made . . . (2) . . . shall be replaced” for clarity. The words “applicable . . . of the agency concerned” are omitted as surplus. The words “program or activity” are substituted for “purpose” for clarity and consistency.

§ 5304. Regulations

With the approval of the President, the Secretary of the Treasury may prescribe regulations—

- (1) to carry out section 5301 of this title; and
- (2) the Secretary considers necessary to carry out section 5302 of this title.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 994.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5304	31:822. 31:822b.	May 12, 1933, ch. 25, §44, 48 Stat. 53. Jan. 30, 1934, ch. 6, §11, 48 Stat. 342.

Before clause (1), the words “prescribe regulations” are substituted for “make and promulgate rules and regulations” in 31:822 and “issue . . . such rules and regulations” in 31:822b for consistency. In clause (1), the words “to carry out” are substituted for “covering any action taken or to be taken by the President under” in 31:822 to eliminate unnecessary words. In clause (2), the words “or proper” in 31:822b and “the purposes of” are omitted as surplus. Reference to 31:821 is omitted as obsolete because silver is no longer coined. Reference to 31:824 is omitted as obsolete because 31:824 is executed and is not part of the revised title.

SUBCHAPTER II—RECORDS AND REPORTS ON MONETARY INSTRUMENTS TRANSACTIONS

§ 5311. Declaration of purpose

It is the purpose of this subchapter (except section 5315) to require certain reports or records where they have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 995; Pub. L. 107-56, title III, §358(a), Oct. 26, 2001, 115 Stat. 326.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5311	31:1051.	Oct. 26, 1970, Pub. L. 91-508, §202, 84 Stat. 1118.

AMENDMENTS

2001—Pub. L. 107-56 inserted “, or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism” before period at end.

EFFECTIVE DATE OF 2001 AMENDMENT

Amendment by Pub. L. 107-56 applicable with respect to reports filed or records maintained on, before, or after Oct. 26, 2001, see section 358(h) of Pub. L. 107-56, set out as a note under section 1829b of Title 12, Banks and Banking.

SHORT TITLE

This subchapter and chapter 21 (§1951 et seq.) of Title 12, Banks and Banking, are each popularly known as the “Bank Secrecy Act”. See Short Title note set out under section 1951 of Title 12.

STORED VALUE

Pub. L. 111-24, title V, §503, May 22, 2009, 123 Stat. 1756, provided that:

“(a) IN GENERAL.—Not later than 270 days after the date of enactment of this Act [May 22, 2009], the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, shall issue regulations in final form implementing the Bank Secrecy Act [see Short Title note under section 1951 of Title 12, Banks and Banking], regarding the sale, issuance, redemption, or international transport of stored value, including stored value cards.

“(b) CONSIDERATION OF INTERNATIONAL TRANSPORT.—Regulations under this section regarding international transport of stored value may include reporting requirements pursuant to section 5316 of title 31, United States Code.

“(c) EMERGING METHODS FOR TRANSMITTAL AND STORAGE IN ELECTRONIC FORM.—Regulations under this section shall take into consideration current and future needs and methodologies for transmitting and storing value in electronic form.”

IMPROVEMENT OF INTERNATIONAL STANDARDS AND COOPERATION TO FIGHT TERRORIST FINANCING

Pub. L. 108-458, title VII, §§ 7701, 7702, 7704, Dec. 17, 2004, 118 Stat. 3858-3860, provided that:

“SEC. 7701. IMPROVING INTERNATIONAL STANDARDS AND COOPERATION TO FIGHT TERRORIST FINANCING.

“(a) FINDINGS.—Congress makes the following findings:

“(1) The global war on terrorism and cutting off terrorist financing is a policy priority for the United States and its partners, working bilaterally and multilaterally through the United Nations, the United Nations Security Council and its committees, such as the 1267 and 1373 Committees, the Financial Action Task Force (FATF), and various international financial institutions, including the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD), and the regional multilateral development banks, and other multilateral fora.

“(2) The international financial community has become engaged in the global fight against terrorist financing. The Financial Action Task Force has focused on the new threat posed by terrorist financing to the international financial system, resulting in the establishment of the FATF's Eight Special Recommendations on Terrorist Financing as the international standard on combating terrorist financing. The Group of Seven and the Group of Twenty Finance Ministers are developing action plans to curb the financing of terror. In addition, other economic and regional fora, such as the Asia-Pacific Economic Cooperation (APEC) Forum, and the Western Hemisphere Financial Ministers, have been used to marshal political will and actions in support of combating the financing of terrorism (CFT) standards.

“(3) FATF's Forty Recommendations on Money Laundering and the Eight Special Recommendations on Terrorist Financing are the recognized global standards for fighting money laundering and terrorist financing. The FATF has engaged in an assessment process for jurisdictions based on their compliance with these standards.

“(4) In March 2004, the IMF and IBRD Boards agreed to make permanent a pilot program of collaboration with the FATF to assess global compliance with the FATF Forty Recommendations on Money Laundering and the Eight Special Recommendations on Terrorist Financing. As a result, anti-money laundering (AML) and combating the financing of terrorism (CFT) assessments are now a regular part of their Financial Sector Assessment Program (FSAP) and Offshore Financial Center assessments, which provide for a comprehensive analysis of the strength of a jurisdiction's financial system. These reviews assess potential systemic vulnerabilities, consider sectoral development needs and priorities, and review the state of implementation of and compliance with key financial codes and regulatory standards, among them the AML and CFT standards.

“(5) To date, 70 FSAPs have been conducted, with over 24 of those incorporating AML and CFT assessments. The international financial institutions (IFIs), the FATF, and the FATF-style regional bodies together are expected to assess AML and CFT regimes in up to 40 countries or jurisdictions per year. This will help countries and jurisdictions identify de-

ficiencies in their AML and CFT regimes and help focus technical assistance efforts.

“(6) Technical assistance programs from the United States and other nations, coordinated with the Department of State and other departments and agencies, are playing an important role in helping countries and jurisdictions address shortcomings in their AML and CFT regimes and bringing their regimes into conformity with international standards. Training is coordinated within the United States Government, which leverages multilateral organizations and bodies and international financial institutions to internationalize the conveyance of technical assistance.

“(7) In fulfilling its duties in advancing incorporation of AML and CFT standards into the IFIs as part of the IFIs' work on protecting the integrity of the international monetary system, the Department of the Treasury, under the guidance of the Secretary of the Treasury, has effectively brought together all of the key United States Government agencies. In particular, United States Government agencies continue to work together to foster broad support for this important undertaking in various multilateral fora, and United States Government agencies recognize the need for close coordination and communication with our own Government.

“(b) SENSE OF CONGRESS REGARDING SUCCESS IN MULTILATERAL ORGANIZATIONS.—It is the sense of Congress that the Secretary of the Treasury should continue to promote the dissemination of international AML and CFT standards, and to press for full implementation of the FATF 40 + 8 Recommendations by all countries in order to curb financial risks and hinder terrorist financing around the globe. The efforts of the Secretary in this regard should include, where necessary or appropriate, multilateral action against countries whose counter-money laundering regimes and efforts against the financing of terrorism fall below recognized international standards.

“SEC. 7702. DEFINITIONS.

“In this subtitle [subtitle G (§§ 7701-7704) of title VII of Pub. L. 108-458, amending sections 2620-2 and 262r-4 of Title 22, Foreign Relations and Intercourse]—

“(1) the term ‘international financial institutions’ has the same meaning as in section 1701(c)(2) of the International Financial Institutions Act [22 U.S.C. 262r(c)(2)];

“(2) the term ‘Financial Action Task Force’ means the international policy-making and standard-setting body dedicated to combating money laundering and terrorist financing that was created by the Group of Seven in 1989; and

“(3) the terms ‘Interagency Paper on Sound Practices to Strengthen the Resilience of the U.S. Financial System’ and ‘Interagency Paper’ mean the interagency paper prepared by the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Securities and Exchange Commission that was announced in the Federal Register on April 8, 2003.

“SEC. 7704. COORDINATION OF UNITED STATES GOVERNMENT EFFORTS.

“The Secretary of the Treasury, or the designee of the Secretary, as the lead United States Government official to the Financial Action Task Force (FATF), shall continue to convene the interagency United States Government FATF working group. This group, which includes representatives from all relevant Federal agencies, shall meet at least once a year to advise the Secretary on policies to be pursued by the United States regarding the development of common international AML and CFT standards, to assess the adequacy and implementation of such standards, and to

recommend to the Secretary improved or new standards, as necessary.”

INTERNATIONAL MONEY LAUNDERING ABATEMENT AND FINANCIAL ANTI-TERRORISM ACT OF 2001; FINDINGS AND PURPOSES

Pub. L. 107-56, title III, §302, Oct. 26, 2001, 115 Stat. 296, as amended by Pub. L. 108-458, title VI, §6202(c), Dec. 17, 2004, 118 Stat. 3745, provided that:

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

“(1) money laundering, estimated by the International Monetary Fund to amount to between 2 and 5 percent of global gross domestic product, which is at least \$600,000,000,000 annually, provides the financial fuel that permits transnational criminal enterprises to conduct and expand their operations to the detriment of the safety and security of American citizens;

“(2) money laundering, and the defects in financial transparency on which money launderers rely, are critical to the financing of global terrorism and the provision of funds for terrorist attacks;

“(3) money launderers subvert legitimate financial mechanisms and banking relationships by using them as protective covering for the movement of criminal proceeds and the financing of crime and terrorism, and, by so doing, can threaten the safety of United States citizens and undermine the integrity of United States financial institutions and of the global financial and trading systems upon which prosperity and growth depend;

“(4) certain jurisdictions outside of the United States that offer ‘offshore’ banking and related facilities designed to provide anonymity, coupled with weak financial supervisory and enforcement regimes, provide essential tools to disguise ownership and movement of criminal funds derived from, or used to commit, offenses ranging from narcotics trafficking, terrorism, arms smuggling, and trafficking in human beings, to financial frauds that prey on law-abiding citizens;

“(5) transactions involving such offshore jurisdictions make it difficult for law enforcement officials and regulators to follow the trail of money earned by criminals, organized international criminal enterprises, and global terrorist organizations;

“(6) correspondent banking facilities are one of the banking mechanisms susceptible in some circumstances to manipulation by foreign banks to permit the laundering of funds by hiding the identity of real parties in interest to financial transactions;

“(7) private banking services can be susceptible to manipulation by money launderers, for example corrupt foreign government officials, particularly if those services include the creation of offshore accounts and facilities for large personal funds transfers to channel funds into accounts around the globe;

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

“(9) the ability to mount effective counter-measures to international money launderers requires national, as well as bilateral and multilateral action, using tools specially designed for that effort; and

“(10) the Basle Committee on Banking Regulation and Supervisory Practices and the Financial Action Task Force on Money Laundering, of both of which the United States is a member, have each adopted international anti-money laundering principles and recommendations.

“(b) PURPOSES.—The purposes of this title [see Short Title of 2001 Amendment note set out under section 5301 of this title] are—

“(1) to increase the strength of United States measures to prevent, detect, and prosecute international money laundering and the financing of terrorism;

“(2) to ensure that—

“(A) banking transactions and financial relationships and the conduct of such transactions and relationships, do not contravene the purposes of subchapter II of chapter 53 of title 31, United States Code, section 21 of the Federal Deposit Insurance Act [12 U.S.C. 1829b], or chapter 2 of title I of Public Law 91-508 (84 Stat. 1116) [12 U.S.C. 1951 et seq.], or facilitate the evasion of any such provision; and

“(B) the purposes of such provisions of law continue to be fulfilled, and such provisions of law are effectively and efficiently administered;

“(3) to strengthen the provisions put into place by the Money Laundering Control Act of 1986 (18 U.S.C. 981 note) [see Short Title of 1986 Amendment note set out under section 981 of Title 18, Crimes and Criminal Procedure], especially with respect to crimes by non-United States nationals and foreign financial institutions;

“(4) to provide a clear national mandate for subjecting to special scrutiny those foreign jurisdictions, financial institutions operating outside of the United States, and classes of international transactions or types of accounts that pose particular, identifiable opportunities for criminal abuse;

“(5) to provide the Secretary of the Treasury (in this title referred to as the ‘Secretary’) with broad discretion, subject to the safeguards provided by the Administrative Procedure Act under title 5, United States Code [5 U.S.C. 551 et seq., 701 et seq.], to take measures tailored to the particular money laundering problems presented by specific foreign jurisdictions, financial institutions operating outside of the United States, and classes of international transactions or types of accounts;

“(6) to ensure that the employment of such measures by the Secretary permits appropriate opportunity for comment by affected financial institutions;

“(7) to provide guidance to domestic financial institutions on particular foreign jurisdictions, financial institutions operating outside of the United States, and classes of international transactions or types of accounts that are of primary money laundering concern to the United States Government;

“(8) to ensure that the forfeiture of any assets in connection with the anti-terrorist efforts of the United States permits for adequate challenge consistent with providing due process rights;

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

“(10) to strengthen the authority of the Secretary to issue and administer geographic targeting orders, and to clarify that violations of such orders or any other requirement imposed under the authority contained in chapter 2 of title I of Public Law 91-508 [12 U.S.C. 1951 et seq.] and subchapter II of chapter 53 of title 31, United States Code, may result in criminal and civil penalties;

“(11) to ensure that all appropriate elements of the financial services industry are subject to appropriate requirements to report potential money laundering transactions to proper authorities, and that jurisdictional disputes do not hinder examination of compliance by financial institutions with relevant reporting requirements;

“(12) to strengthen the ability of financial institutions to maintain the integrity of their employee population; and

“(13) to strengthen measures to prevent the use of the United States financial system for personal gain by corrupt foreign officials and to facilitate the repatriation of any stolen assets to the citizens of countries to whom such assets belong.”

FOUR-YEAR CONGRESSIONAL REVIEW; EXPEDITED CONSIDERATION

Pub. L. 107-56, title III, §303, Oct. 26, 2001, 115 Stat. 298, as amended by Pub. L. 108-458, title VI, §6202(d), Dec. 17, 2004, 118 Stat. 3745, which provided that, effective on and after the first day of fiscal year 2005, the

provisions of title III of Pub. L. 107-56 and the amendments made by such title would terminate if the Congress enacted a joint resolution, the text after the resolving clause of which was as follows: "That provisions of the International Money Laundering Abatement and Financial Antiterrorism Act of 2001, and the amendments made thereby, shall no longer have the force of law.", was repealed by Pub. L. 108-458, title VI, §§ 6204, 6205, Dec. 17, 2004, 118 Stat. 3747, effective as if included in Pub. L. 107-56, as of the date of enactment of such Act.

COOPERATIVE EFFORTS TO DETER MONEY LAUNDERING

Pub. L. 107-56, title III, § 314, Oct. 26, 2001, 115 Stat. 307, as amended by Pub. L. 108-458, title VI, § 6202(f), Dec. 17, 2004, 118 Stat. 3745, provided that:

"(a) COOPERATION AMONG FINANCIAL INSTITUTIONS, REGULATORY AUTHORITIES, AND LAW ENFORCEMENT AUTHORITIES.—

"(1) REGULATIONS.—The Secretary [of the Treasury] shall, within 120 days after the date of enactment of this Act [Oct. 26, 2001], adopt regulations to encourage further cooperation among financial institutions, their regulatory authorities, and law enforcement authorities, with the specific purpose of encouraging regulatory authorities and law enforcement authorities to share with financial institutions information regarding individuals, entities, and organizations engaged in, or reasonably suspected based on credible evidence of engaging in, terrorist acts or money laundering activities.

"(2) COOPERATION AND INFORMATION SHARING PROCEDURES.—The regulations adopted under paragraph (1) may include or create procedures for cooperation and information sharing focusing on—

"(A) matters specifically related to the finances of terrorist groups, the means by which terrorist groups transfer funds around the world and within the United States, including through the use of charitable organizations, nonprofit organizations, and nongovernmental organizations, the extent to which financial institutions in the United States are unwittingly involved in such finances, and the extent to which such institutions are at risk as a result;

"(B) the relationship, particularly the financial relationship, between international narcotics traffickers and foreign terrorist organizations, the extent to which their memberships overlap and engage in joint activities, and the extent to which they cooperate with each other in raising and transferring funds for their respective purposes; and

"(C) means of facilitating the identification of accounts and transactions involving terrorist groups and facilitating the exchange of information concerning such accounts and transactions between financial institutions and law enforcement organizations.

"(3) CONTENTS.—The regulations adopted pursuant to paragraph (1) may—

"(A) require that each financial institution designate 1 or more persons to receive information concerning, and monitor accounts of, individuals, entities, and organizations identified pursuant to paragraph (1); and

"(B) further establish procedures for the protection of the shared information, consistent with the capacity, size, and nature of the financial institution to which the particular procedures apply.

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

"(5) USE OF INFORMATION.—Information received by a financial institution pursuant to this section shall not be used for any purpose other than identifying and reporting on activities that may involve terrorist acts or money laundering activities.

"(b) COOPERATION AMONG FINANCIAL INSTITUTIONS.—Upon notice provided to the Secretary, 2 or more finan-

cial institutions and any association of financial institutions may share information with one another regarding individuals, entities, organizations, and countries suspected of possible terrorist or money laundering activities. A financial institution or association that transmits, receives, or shares such information for the purposes of identifying and reporting activities that may involve terrorist acts or money laundering activities shall not be liable to any person under any law or regulation of the United States, any constitution, law, or regulation of any State or political subdivision thereof, or under any contract or other legally enforceable agreement (including any arbitration agreement), for such disclosure or for any failure to provide notice of such disclosure to the person who is the subject of such disclosure, or any other person identified in the disclosure, except where such transmission, receipt, or sharing violates this section or regulations promulgated pursuant to this section.

"(c) RULE OF CONSTRUCTION.—Compliance with the provisions of this title [see Short Title of 2001 Amendment note set out under section 5301 of this title] requiring or allowing financial institutions and any association of financial institutions to disclose or share information regarding individuals, entities, and organizations engaged in or suspected of engaging in terrorist acts or money laundering activities shall not constitute a violation of the provisions of title V of the Gramm-Leach-Bliley Act (Public Law 106-102) [15 U.S.C. 6801 et seq.].

"(d) REPORTS TO THE FINANCIAL SERVICES INDUSTRY ON SUSPICIOUS FINANCIAL ACTIVITIES.—At least semi-annually, the Secretary shall—

"(1) publish a report containing a detailed analysis identifying patterns of suspicious activity and other investigative insights derived from suspicious activity reports and investigations conducted by Federal, State, and local law enforcement agencies to the extent appropriate; and

"(2) distribute such report to financial institutions (as defined in section 5312 of title 31, United States Code)."

REPORT AND RECOMMENDATION ON LEGISLATIVE ACTION ON INTERNATIONAL COUNTER MONEY LAUNDERING PROVISIONS

Pub. L. 107-56, title III, § 324, Oct. 26, 2001, 115 Stat. 316, provided that: "Not later than 30 months after the date of enactment of this Act [Oct. 26, 2001], the Secretary [of the Treasury], in consultation with the Attorney General, the Federal banking agencies (as defined at section 3 of the Federal Deposit Insurance Act [12 U.S.C. 1813]), the National Credit Union Administration Board, the Securities and Exchange Commission, and such other agencies as the Secretary may determine, at the discretion of the Secretary, shall evaluate the operations of the provisions of this subtitle [subtitle A (§§ 311-330) of title III of Pub. L. 107-56, enacting section 5318A of this title, amending sections 5312 and 5318 of this title, sections 1828 and 1842 of Title 12, Banks and Banking, sections 981, 983, and 1956 of Title 18, Crimes and Criminal Procedure, section 853 of Title 21, Food and Drugs, and sections 2466 and 2467 of Title 28, Judiciary and Judicial Procedure, and enacting provisions set out as notes under this section and section 5318 of this title, sections 1828 and 1842 of Title 12, and section 983 of Title 18] and make recommendations to Congress as to any legislative action with respect to this subtitle as the Secretary may determine to be necessary or advisable."

INTERNATIONAL COOPERATION ON IDENTIFICATION OF ORIGINATORS OF WIRE TRANSFERS

Pub. L. 107-56, title III, § 328, Oct. 26, 2001, 115 Stat. 319, provided that: "The Secretary [of the Treasury] shall—

"(1) in consultation with the Attorney General and the Secretary of State, take all reasonable steps to encourage foreign governments to require the inclu-

sion of the name of the originator in wire transfer instructions sent to the United States and other countries, with the information to remain with the transfer from its origination until the point of disbursement; and

“(2) report annually to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on—

“(A) progress toward the goal enumerated in paragraph (1), as well as impediments to implementation and an estimated compliance rate; and

“(B) impediments to instituting a regime in which all appropriate identification, as defined by the Secretary, about wire transfer recipients shall be included with wire transfers from their point of origination until disbursement.”

CRIMINAL PENALTIES

Pub. L. 107-56, title III, §329, Oct. 26, 2001, 115 Stat. 319, provided that: “Any person who is an official or employee of any department, agency, bureau, office, commission, or other entity of the Federal Government, and any other person who is acting for or on behalf of any such entity, who, directly or indirectly, in connection with the administration of this title [see Short Title of 2001 Amendment note set out under section 5301 of this title], corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value personally or for any other person or entity in return for—

“(1) being influenced in the performance of any official act;

“(2) being influenced to commit or aid in the committing, or to collude in, or allow, any fraud, or make opportunity for the commission of any fraud, on the United States; or

“(3) being induced to do or omit to do any act in violation of the official duty of such official or person,

shall be fined in an amount not more than 3 times the monetary equivalent of the thing of value, or imprisoned for not more than 15 years, or both. A violation of this section shall be subject to chapter 227 of title 18, United States Code, and the provisions of the United States Sentencing Guidelines.”

REPORT ON INVESTMENT COMPANIES

Pub. L. 107-56, title III, §356(c), Oct. 26, 2001, 115 Stat. 324, as amended by Pub. L. 108-458, title VI, §6202(j), Dec. 17, 2004, 118 Stat. 3746, provided that:

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act [Oct. 26, 2001], the Secretary [of the Treasury], the Board of Governors of the Federal Reserve System, and the Securities and Exchange Commission shall jointly submit a report to the Congress on recommendations for effective regulations to apply the requirements of subchapter II of chapter 53 of title 31, United States Code, to investment companies pursuant to section 5312(a)(2)(I) of title 31, United States Code.

“(2) DEFINITION.—For purposes of this subsection, the term ‘investment company’—

“(A) has the same meaning as in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3); and

“(B) includes any person that, but for the exceptions provided for in paragraph (1) or (7) of section 3(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)), would be an investment company.

“(3) ADDITIONAL RECOMMENDATIONS.—The report required by paragraph (1) may make different recommendations for different types of entities covered by this subsection.

“(4) BENEFICIAL OWNERSHIP OF PERSONAL HOLDING COMPANIES.—The report described in paragraph (1) shall also include recommendations as to whether the Secretary should promulgate regulations to treat any corporation, business trust, or other grantor trust whose assets are predominantly securities, bank certificates

of deposit, or other securities or investment instruments (other than such as relate to operating subsidiaries of such corporation or trust) and that has 5 or fewer common shareholders or holders of beneficial or other equity interest, as a financial institution within the meaning of that phrase in section 5312(a)(2)(I) and whether to require such corporations or trusts to disclose their beneficial owners when opening accounts or initiating funds transfers at any domestic financial institution.”

REPORT ON NEED FOR ADDITIONAL LEGISLATION RELATING TO INFORMAL MONEY TRANSFER SYSTEMS

Pub. L. 107-56, title III, §359(d), Oct. 26, 2001, 115 Stat. 329, provided that: “Not later than 1 year after the date of enactment of this Act [Oct. 26, 2001], the Secretary of the Treasury shall report to Congress on the need for any additional legislation relating to persons who engage as a business in an informal money transfer system or any network of people who engage as a business in facilitating the transfer of money domestically or internationally outside of the conventional financial institutions system, counter money laundering and regulatory controls relating to underground money movement and banking systems, including whether the threshold for the filing of suspicious activity reports under section 5318(g) of title 31, United States Code should be lowered in the case of such systems.”

UNIFORM STATE LICENSING AND REGULATION OF CHECK CASHING, CURRENCY EXCHANGE, AND MONEY TRANSMITTING BUSINESSES

Pub. L. 103-325, title IV, §407, Sept. 23, 1994, 108 Stat. 2247, provided that:

“(a) UNIFORM LAWS AND ENFORCEMENT.—For purposes of preventing money laundering and protecting the payment system from fraud and abuse, it is the sense of the Congress that the several States should—

“(1) establish uniform laws for licensing and regulating businesses which—

“(A) provide check cashing, currency exchange, or money transmitting or remittance services, or issue or redeem money orders, travelers’ checks, and other similar instruments; and

“(B) are not depository institutions (as defined in section 5313(g) of title 31, United States Code); and

“(2) provide sufficient resources to the appropriate State agency to enforce such laws and regulations prescribed pursuant to such laws.

“(b) MODEL STATUTE.—It is the sense of the Congress that the several States should develop, through the auspices of the National Conference of Commissioners on Uniform State Laws, the American Law Institute, or such other forum as the States may determine to be appropriate, a model statute to carry out the goals described in subsection (a) which would include the following:

“(1) LICENSING REQUIREMENTS.—A requirement that any business described in subsection (a)(1) be licensed and regulated by an appropriate State agency in order to engage in any such activity within the State.

“(2) LICENSING STANDARDS.—A requirement that—

“(A) in order for any business described in subsection (a)(1) to be licensed in the State, the appropriate State agency shall review and approve—

“(i) the business record and the capital adequacy of the business seeking the license; and

“(ii) the competence, experience, integrity, and financial ability of any individual who—

“(I) is a director, officer, or supervisory employee of such business; or

“(II) owns or controls such business; and

“(B) any record, on the part of any business seeking the license or any person referred to in subparagraph (A)(ii), of—

“(i) any criminal activity;

“(ii) any fraud or other act of personal dishonesty;

“(iii) any act, omission, or practice which constitutes a breach of a fiduciary duty; or

“(iv) any suspension or removal, by any agency or department of the United States or any State, from participation in the conduct of any federally or State licensed or regulated business.

may be grounds for the denial of any such license by the appropriate State agency.

“(3) REPORTING REQUIREMENTS.—A requirement that any business described in subsection (a)(1)—

“(A) disclose to the appropriate State agency the fees charged to consumers for services described in subsection (a)(1)(A); and

“(B) conspicuously disclose to the public, at each location of such business, the fees charged to consumers for such services.

“(4) PROCEDURES TO ENSURE COMPLIANCE WITH FEDERAL CASH TRANSACTION REPORTING REQUIREMENTS.—A civil or criminal penalty for operating any business referred to in paragraph (1) without establishing and complying with appropriate procedures to ensure compliance with subchapter II of chapter 53 of title 31, United States Code (relating to records and reports on monetary instruments transactions).

“(5) CRIMINAL PENALTIES FOR OPERATION OF BUSINESS WITHOUT A LICENSE.—A criminal penalty for operating any business referred to in paragraph (1) without a license within the State after the end of an appropriate transition period beginning on the date of enactment of such model statute by the State.

“(c) STUDY REQUIRED.—The Secretary of the Treasury shall conduct a study of—

“(1) the progress made by the several States in developing and enacting a model statute which—

“(A) meets the requirements of subsection (b); and

“(B) furthers the goals of—

“(i) preventing money laundering by businesses which are required to be licensed under any such statute; and

“(ii) protecting the payment system, including the receipt, payment, collection, and clearing of checks, from fraud and abuse by such businesses; and

“(2) the adequacy of—

“(A) the activity of the several States in enforcing the requirements of such statute; and

“(B) the resources made available to the appropriate State agencies for such enforcement activity.

“(d) REPORT REQUIRED.—Not later than the end of the 3-year period beginning on the date of enactment of this Act [Sept. 23, 1994] and not later than the end of each of the first two 1-year periods beginning after the end of such 3-year period, the Secretary of the Treasury shall submit a report to the Congress containing the findings and recommendations of the Secretary in connection with the study under subsection (c), together with such recommendations for legislative and administrative action as the Secretary may determine to be appropriate.

“(e) RECOMMENDATIONS IN CASES OF INADEQUATE REGULATION AND ENFORCEMENT BY STATES.—If the Secretary of the Treasury determines that any State has been unable to—

“(1) enact a statute which meets the requirements described in subsection (b);

“(2) undertake adequate activity to enforce such statute; or

“(3) make adequate resources available to the appropriate State agency for such enforcement activity,

the report submitted pursuant to subsection (d) shall contain recommendations of the Secretary which are designed to facilitate the enactment and enforcement by the State of such a statute.

“(f) FEDERAL FUNDING STUDY.—

“(1) STUDY REQUIRED.—The Secretary of the Treasury shall conduct a study to identify possible available sources of Federal funding to cover costs which

will be incurred by the States in carrying out the purposes of this section.

“(2) REPORT.—The Secretary of the Treasury shall submit a report to the Congress on the study conducted pursuant to paragraph (1) not later than the end of the 18-month period beginning on the date of enactment of this Act [Sept. 23, 1994].”

ANTI-MONEY LAUNDERING TRAINING TEAM

Pub. L. 102-550, title XV, § 1518, Oct. 28, 1992, 106 Stat. 4060, provided that: “The Secretary of the Treasury and the Attorney General shall jointly establish a team of experts to assist and provide training to foreign governments and agencies thereof in developing and expanding their capabilities for investigating and prosecuting violations of money laundering and related laws.”

ADVISORY GROUP ON REPORTING REQUIREMENTS

Pub. L. 102-550, title XV, § 1564, Oct. 28, 1992, 106 Stat. 4073, provided that:

“(a) ESTABLISHMENT.—Not later than 90 days after the date of the enactment of this Act [Oct. 28, 1992], the Secretary of the Treasury shall establish a Bank Secrecy Act Advisory Group consisting of representatives of the Department of the Treasury, the Department of Justice, and the Office of National Drug Control Policy and of other interested persons and financial institutions subject to the reporting requirements of subchapter II of chapter 53 of title 31, United States Code, or section 6050I of the Internal Revenue Code of 1986 [26 U.S.C. 6050I].

“(b) PURPOSES.—The Advisory Group shall provide a means by which the Secretary—

“(1) informs private sector representatives, on a regular basis, of the ways in which the reports submitted pursuant to the requirements referred to in subsection (a) have been used;

“(2) informs private sector representatives, on a regular basis, of how information regarding suspicious financial transactions provided voluntarily by financial institutions has been used; and

“(3) receives advice on the manner in which the reporting requirements referred to in subsection (a) should be modified to enhance the ability of law enforcement agencies to use the information provided for law enforcement purposes.

“(c) INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act [5 U.S.C. App.] shall not apply to the Bank Secrecy Act Advisory Group established pursuant to subsection (a).”

GAO FEASIBILITY STUDY OF FINANCIAL CRIMES ENFORCEMENT NETWORK

Pub. L. 102-550, title XV, § 1565, Oct. 28, 1992, 106 Stat. 4074, provided that:

“(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a feasibility study of the Financial Crimes Enforcement Network (popularly referred to as ‘Fincen’) established by the Secretary of the Treasury in cooperation with other agencies and departments of the United States and appropriate Federal banking agencies.

“(b) SPECIFIC REQUIREMENTS.—In conducting the study required under subsection (a), the Comptroller General shall examine and evaluate—

“(1) the extent to which Federal, State, and local governmental and nongovernmental organizations are voluntarily providing information which is necessary for the system to be useful for law enforcement purposes;

“(2) the extent to which the operational guidelines established for the system provide for the coordinated and efficient entry of information into, and withdrawal of information from, the system;

“(3) the extent to which the operating procedures established for the system provide appropriate standards or guidelines for determining—

“(A) who is to be given access to the information in the system;

“(B) what limits are to be imposed on the use of such information; and

“(C) how information about activities or relationships which involve or are closely associated with the exercise of constitutional rights is to be screened out of the system; and

“(4) the extent to which the operating procedures established for the system provide for the prompt verification of the accuracy and completeness of information entered into the system and the prompt deletion or correction of inaccurate or incomplete information.

“(c) REPORT TO CONGRESS.—Before the end of the 1-year period, beginning on the date of the enactment of this Act [Oct. 28, 1992], the Comptroller General of the United States shall submit a report to the Congress containing the findings and conclusions of the Comptroller General in connection with the study conducted pursuant to subsection (a), together with such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.”

REPORTS ON USES MADE OF CURRENCY TRANSACTION REPORTS

Pub. L. 101-647, title I, §101, Nov. 29, 1990, 104 Stat. 4789, provided that: “Not later than 180 days after the effective date of this section [Nov. 29, 1990], and every 2 years for 4 years, the Secretary of the Treasury shall report to the Congress the following:

“(1) the number of each type of report filed pursuant to subchapter II of chapter 53 of title 31, United States Code (or regulations promulgated thereunder) in the previous fiscal year;

“(2) the number of reports filed pursuant to section 6050I of the Internal Revenue Code of 1986 [26 U.S.C. 6050I] (regarding transactions involving currency) in the previous fiscal year;

“(3) an estimate of the rate of compliance with the reporting requirements by persons required to file the reports referred to in paragraphs (1) and (2);

“(4) the manner in which the Department of the Treasury and other agencies of the United States collect, organize, analyze and use the reports referred to in paragraphs (1) and (2) to support investigations and prosecutions of (A) violations of the criminal laws of the United States, (B) violations of the laws of foreign countries, and (C) civil enforcement of the laws of the United States including the provisions regarding asset forfeiture;

“(5) a summary of sanctions imposed in the previous fiscal year against persons who failed to comply with the reporting requirements referred to in paragraphs (1) and (2), and other steps taken to ensure maximum compliance;

“(6) a summary of criminal indictments filed in the previous fiscal year which resulted, in large part, from investigations initiated by analysis of the reports referred to in paragraphs (1) and (2); and

“(7) a summary of criminal indictments filed in the previous fiscal year which resulted, in large part, from investigations initiated by information regarding suspicious financial transactions provided voluntarily by financial institutions.”

INTERNATIONAL CURRENCY TRANSACTION REPORTING

Pub. L. 100-690, title IV, §4701, Nov. 18, 1988, 102 Stat. 4290, stated Congressional findings concerning success of cash transaction and money laundering control statutes in United States and desirability of United States playing a leadership role in development of similar international system, urged United States Government to seek active cooperation of other countries in enforcement of such statutes, urged Secretary of the Treasury to negotiate with finance ministers of foreign countries to establish an international currency control agency to serve as central source of information

and database for international drug enforcement agencies to collect and analyze currency transaction reports filed by member countries, and encouraged adoption, by member countries, of uniform cash transaction and money laundering statutes, prior to repeal by Pub. L. 102-583, §6(e)(1), Nov. 2, 1992, 106 Stat. 4933.

RESTRICTIONS ON LAUNDERING OF UNITED STATES CURRENCY

Pub. L. 100-690, title IV, §4702, Nov. 18, 1988, 102 Stat. 4291, as amended by Pub. L. 103-447, title I, §103(b), Nov. 2, 1994, 108 Stat. 4693, provided that:

“(a) FINDINGS.—The Congress finds that international currency transactions, especially in United States currency, that involve the proceeds of narcotics trafficking fuel trade in narcotics in the United States and worldwide and consequently are a threat to the national security of the United States.

“(b) PURPOSE.—The purpose of this section is to provide for international negotiations that would expand access to information on transactions involving large amounts of United States currency wherever those transactions occur worldwide.

“(c) NEGOTIATIONS.—(1) The Secretary of the Treasury (hereinafter in this section referred to as the ‘Secretary’) shall enter into negotiations with the appropriate financial supervisory agencies and other officials of any foreign country the financial institutions of which do business in United States currency. Highest priority shall be attached to countries whose financial institutions the Secretary determines, in consultation with the Attorney General and the Director of National Drug Control Policy, may be engaging in currency transactions involving the proceeds of international narcotics trafficking, particularly United States currency derived from drug sales in the United States.

“(2) The purposes of negotiations under this subsection are—

“(A) to reach one or more international agreements to ensure that foreign banks and other financial institutions maintain adequate records of large United States currency transactions, and

“(B) to establish a mechanism whereby such records may be made available to United States law enforcement officials.

In carrying out such negotiations, the Secretary should seek to enter into and further cooperative efforts, voluntary information exchanges, the use of letters rogatory, and mutual legal assistance treaties.

“(d) REPORTS.—Not later than 1 year after the date of enactment of this Act [Nov. 18, 1988], the Secretary shall submit an interim report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on progress in the negotiations under subsection (c). Not later than 2 years after such enactment, the Secretary shall submit a final report to such Committees and the President on the outcome of those negotiations and shall identify, in consultation with the Attorney General and the Director of National Drug Control Policy, countries—

“(1) with respect to which the Secretary determines there is evidence that the financial institutions in such countries are engaging in currency transactions involving the proceeds of international narcotics trafficking; and

“(2) which have not reached agreement with United States authorities on a mechanism for exchanging adequate records on international currency transactions in connection with narcotics investigations and proceedings.

“(e) AUTHORITY.—If after receiving the advice of the Secretary and in any case at the time of receipt of the Secretary’s report, the Secretary determines that a foreign country—

“(1) has jurisdiction over financial institutions that are substantially engaging in currency transactions that effect [affect] the United States involving the proceeds of international narcotics trafficking;

“(2) such country has not reached agreement on a mechanism for exchanging adequate records on inter-

national currency transactions in connection with narcotics investigations and proceedings; and

“(3) such country is not negotiating in good faith to reach such an agreement, the President shall impose appropriate penalties and sanctions, including temporarily or permanently—

“(1) prohibiting such persons, institutions or other entities in such countries from participating in any United States dollar clearing or wire transfer system; and

“(2) prohibiting such persons, institutions or entities in such countries from maintaining an account with any bank or other financial institution chartered under the laws of the United States or any State.

Any penalties or sanctions so imposed may be delayed or waived upon certification of the President to the Congress that it is in the national interest to do so. Financial institutions in such countries that maintain adequate records shall be exempt from such penalties and sanctions.

“(f) DEFINITIONS.—For the purposes of this section—

“(1) The term ‘United States currency’ means Federal Reserve Notes and United States coins.

“(2) The term ‘adequate records’ means records of United States’ currency transactions in excess of \$10,000 including the identification of the person initiating the transaction, the person’s business or occupation, and the account or accounts affected by the transaction, or other records of comparable effect.”

INTERNATIONAL INFORMATION EXCHANGE SYSTEM; STUDY OF FOREIGN BRANCHES OF DOMESTIC INSTITUTIONS

Pub. L. 99-570, title I, §1363, Oct. 27, 1986, 100 Stat. 3207-33, required the Secretary of the Treasury to initiate discussions with the central banks or other appropriate governmental authorities of other countries and propose that an information exchange system be established to reduce international flow of money derived from illicit drug operations and other criminal activities and to report to Congress before the end of the 9-month period beginning Oct. 27, 1986. The Secretary of the Treasury was also required to conduct a study of (1) the extent to which foreign branches of domestic institutions are used to facilitate illicit transfers of or to evade reporting requirements on transfers of coins, currency, and other monetary instruments into and out of the United States; (2) the extent to which the law of the United States is applicable to the activities of such foreign branches; and (3) methods for obtaining the cooperation of the country in which any such foreign branch is located for purposes of enforcing the law of the United States with respect to transfers, and reports on transfers, of such monetary instruments into and out of the United States and to report to Congress before the end of the 9-month period beginning Oct. 27, 1986.

§ 5312. Definitions and application

(a) In this subchapter—

(1) “financial agency” means a person acting for a person (except for a country, a monetary or financial authority acting as a monetary or financial authority, or an international financial institution of which the United States Government is a member) as a financial institution, bailee, depository trustee, or agent, or acting in a similar way related to money, credit, securities, gold, or a transaction in money, credit, securities, or gold.

(2) “financial institution” means—

(A) an insured bank (as defined in section 3(h) of the Federal Deposit Insurance Act (12 U.S.C. 1813(h)));

(B) a commercial bank or trust company;

(C) a private banker;

(D) an agency or branch of a foreign bank in the United States;

(E) any credit union;

(F) a thrift institution;

(G) a broker or dealer registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.);

(H) a broker or dealer in securities or commodities;

(I) an investment banker or investment company;

(J) a currency exchange;

(K) an issuer, redeemer, or cashier of travelers’ checks, checks, money orders, or similar instruments;

(L) an operator of a credit card system;

(M) an insurance company;

(N) a dealer in precious metals, stones, or jewels;

(O) a pawnbroker;

(P) a loan or finance company;

(Q) a travel agency;

(R) a licensed sender of money or any other person who engages as a business in the transmission of funds, including any person who engages as a business in an informal money transfer system or any network of people who engage as a business in facilitating the transfer of money domestically or internationally outside of the conventional financial institutions system;

(S) a telegraph company;

(T) a business engaged in vehicle sales, including automobile, airplane, and boat sales;

(U) persons involved in real estate closings and settlements;

(V) the United States Postal Service;

(W) an agency of the United States Government or of a State or local government carrying out a duty or power of a business described in this paragraph;

(X) a casino, gambling casino, or gaming establishment with an annual gaming revenue of more than \$1,000,000 which—

(i) is licensed as a casino, gambling casino, or gaming establishment under the laws of any State or any political subdivision of any State; or

(ii) is an Indian gaming operation conducted under or pursuant to the Indian Gaming Regulatory Act other than an operation which is limited to class I gaming (as defined in section 4(6) of such Act);

(Y) any business or agency which engages in any activity which the Secretary of the Treasury determines, by regulation, to be an activity which is similar to, related to, or a substitute for any activity in which any business described in this paragraph is authorized to engage; or

(Z) any other business designated by the Secretary whose cash transactions have a high degree of usefulness in criminal, tax, or regulatory matters.

(3) “monetary instruments” means—

(A) United States coins and currency;

(B) as the Secretary may prescribe by regulation, coins and currency of a foreign country, travelers’ checks, bearer negotiable

instruments, bearer investment securities, bearer securities, stock on which title is passed on delivery, and similar material; and

(C) as the Secretary of the Treasury shall provide by regulation for purposes of sections 5316 and 5331, checks, drafts, notes, money orders, and other similar instruments which are drawn on or by a foreign financial institution and are not in bearer form.

(4) **NONFINANCIAL TRADE OR BUSINESS.**—The term “nonfinancial trade or business” means any trade or business other than a financial institution that is subject to the reporting requirements of section 5313 and regulations prescribed under such section.

(5) “person”, in addition to its meaning under section 1 of title 1, includes a trustee, a representative of an estate and, when the Secretary prescribes, a governmental entity.

(6) “United States” means the States of the United States, the District of Columbia, and, when the Secretary prescribes by regulation, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, American Samoa, the Trust Territory of the Pacific Islands, a territory or possession of the United States, or a military or diplomatic establishment.

(b) In this subchapter—

(1) “domestic financial agency” and “domestic financial institution” apply to an action in the United States of a financial agency or institution.

(2) “foreign financial agency” and “foreign financial institution” apply to an action outside the United States of a financial agency or institution.

(c) **ADDITIONAL DEFINITIONS.**—For purposes of this subchapter, the following definitions shall apply:

(1)¹ **CERTAIN INSTITUTIONS INCLUDED IN DEFINITION.**—The term “financial institution” (as defined in subsection (a)) includes the following:

(A)² Any futures commission merchant, commodity trading advisor, or commodity pool operator registered, or required to register, under the Commodity Exchange Act.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 995; Pub. L. 99–570, title I, §1362, Oct. 27, 1986, 100 Stat. 3207–33; Pub. L. 100–690, title VI, §6185(a), (g)(1), Nov. 18, 1988, 102 Stat. 4354, 4357; Pub. L. 103–325, title IV, §§405, 409, Sept. 23, 1994, 108 Stat. 2247, 2252; Pub. L. 107–56, title III, §§321(a), (b), 359(a), 365(c)(1), (2)(A), Oct. 26, 2001, 115 Stat. 315, 328, 335; Pub. L. 108–458, title VI, §§6202(g), 6203(b), Dec. 17, 2004, 118 Stat. 3746.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5312(a)(1)	31:1052(a), (b), (g), (i).	Oct. 26, 1970, Pub. L. 91–508, §203(a)–(i), (l), 84 Stat. 1118.
5312(a)(2)	31:1052(e).	
5312(a)(3)	31:1052(f).	
5312(a)(4)	31:1052(c).	
5312(a)(5)	31:1052(d).	
5312(b)	31:1052(f), (h).	

¹ So in original. No par. (2) has been enacted.

² So in original. No subpar. (B) has been enacted.

In subsection (a)(1), the text of 31:1052(a) is omitted as unnecessary. The text of 31:1052(b) is omitted because of the restatement. The text of 31:1052(i) is omitted as unnecessary because the source provision is restated where necessary in the revised subchapter.

In subsection (a)(2), (3), (4), and (5), the words “the Secretary . . . prescribes” are substituted for “specified by the Secretary by regulation”, “as the Secretary may by regulation specify”, “specified by the Secretary”, and “the Secretary shall by regulation specify” for consistency.

In subsection (a)(2) and (3), the words “for the purposes of the provision of this chapter to which the regulation relates” are omitted as surplus.

In subsection (a)(2), before subclause (A), the words “any person which does business in any one or more of the following capacities” are omitted as surplus. In subclause (F), the words “savings bank, building and loan association, credit union, industrial bank, or other” are omitted as surplus. In subclause (T), the words “agency of the United States Government or of a State or local government” are substituted for “Federal, State, or local government institution” for consistency. In subclause (U), the words “type of” are omitted as surplus. The word “agency” is substituted for “institution” for consistency.

In subsection (a)(3)(B)–(5), the word “prescribe” is substituted for “specify” for consistency in the revised title and with other titles of the United States Code.

In subsection (a)(3)(B), the words “in addition”, and “and such types of” are omitted as surplus. The words “similar material” are substituted for “the equivalent thereof” for clarity.

In subsection (a)(4), the words “in addition to its meaning under section 1 of title 1” are substituted for “natural persons, partnerships, . . . associations, corporations, and all entities cognizable as legal personalities” for consistency because 1:1 is applicable to all laws unless otherwise provided. The words “a trustee, a representative of an estate” are substituted for “trusts, estates”, and the word “entity” is substituted for “department or agency”, for consistency. The words “either for the purpose of this chapter generally or any particular requirement thereunder” are omitted as surplus.

In subsection (a)(5), the words “used in a geographic sense” are omitted because of the restatement. The words “either for the purposes of this chapter generally or any particular requirement thereunder” are omitted as surplus. The words “territory or” are added for consistency.

Subsection (b) is substituted for 31:1052(f) and (h) to eliminate unnecessary words and for consistency.

REFERENCES IN TEXT

The Securities Exchange Act of 1934, referred to in subsec. (a)(2)(G), is act June 6, 1934, ch. 404, 48 Stat. 881, as amended, which is classified principally to chapter 2B (§78a et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 78a of Title 15 and Tables.

The Indian Gaming Regulatory Act, referred to in subsec. (a)(2)(X)(ii), is Pub. L. 100–497, Oct. 17, 1988, 102 Stat. 2467, as amended, which is classified principally to chapter 29 (§2701 et seq.) of Title 25, Indians. Section 4(6) of the Act is classified to section 2703(6) of Title 25. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

The Commodity Exchange Act, referred to in subsec. (c)(1)(A), is act Sept. 21, 1922, ch. 369, 42 Stat. 998, as amended, which is classified generally to chapter 1 (§1 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see section 1 of Title 7 and Tables.

AMENDMENTS

2004—Subsec. (a)(2)(E). Pub. L. 108–458, §6202(g), made technical correction to directory language of Pub. L. 107–56, §321(a). See 2001 Amendment note below.

Subsec. (a)(3)(C). Pub. L. 108-458, §6203(b), substituted “sections 5316 and 5331” for “sections 5333 and 5316”.

2001—Subsec. (a)(2)(E). Pub. L. 107-56, §321(a), as amended by Pub. L. 108-458, §6202(g), amended subpar. (E) generally. Prior to amendment, subpar. (E) read as follows: “an insured institution (as defined in section 401(a) of the National Housing Act (12 U.S.C. 1724(a)));”.

Subsec. (a)(2)(R). Pub. L. 107-56, §359(a), amended subpar. (R) generally. Prior to amendment, subpar. (R) read as follows: “a licensed sender of money;”.

Subsec. (a)(3)(C). Pub. L. 107-56, §365(c)(2)(A), substituted “sections 5333 and 5316,” for “section 5316,”.

Subsec. (a)(4) to (6). Pub. L. 107-56, §365(c)(1), added par. (4) and redesignated former pars. (4) and (5) as (5) and (6), respectively.

Subsec. (c). Pub. L. 107-56, §321(b), added subsec. (c). 1994—Subsec. (a)(2)(X) to (Z). Pub. L. 103-325, §409, added subpar. (X) and redesignated former subpars. (X) and (Y) as (Y) and (Z), respectively.

Subsec. (a)(3)(C). Pub. L. 103-325, §405, added subpar. (C).

1988—Subsec. (a)(2)(T) to (Y). Pub. L. 100-690, §6185(a), added subpars. (T) to (Y) and struck out former subpars. (T) and (U) which read as follows:

“(T) an agency of the United States Government or of a State or local government carrying out a duty or power of a business described in this clause (2), including the United States Postal Service; or

“(U) another business or agency carrying out a similar, related, or substitute duty or power the Secretary of the Treasury prescribes.”

Subsec. (a)(5). Pub. L. 100-690, §6185(g)(1), inserted a comma after “Puerto Rico” and struck out second comma after “Pacific Islands”.

1986—Subsec. (a)(2)(T). Pub. L. 99-570, §1362(a), which directed that the Postal Service be included within United States agencies by amending subsec. (a)(2)(U) of this section by inserting before the semicolon at the end thereof the following “, including the United States Postal Service”, was executed to subsec. (a)(2)(T) of this section as the probable intent of Congress, because subsec. (a)(2)(U) does not contain a semicolon and subsec. (a)(2)(T) relates to United States agencies.

Subsec. (a)(5). Pub. L. 99-570, §1362(b), inserted “the Virgin Islands, Guam, the Northern Mariana Islands, American Samoa, the Trust Territory of the Pacific Islands,” after “Puerto Rico”.

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-458 effective as if included in Pub. L. 107-56, as of the date of enactment of such Act, and no amendment made by Pub. L. 107-56 that is inconsistent with such amendment to be deemed to have taken effect, see section 6205 of Pub. L. 108-458, set out as a note under section 1828 of Title 12, Banks and Banking.

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

§ 5313. Reports on domestic coins and currency transactions

(a) When a domestic financial institution is involved in a transaction for the payment, receipt, or transfer of United States coins or currency (or other monetary instruments the Secretary of the Treasury prescribes), in an amount, denomination, or amount and denomination, or under circumstances the Secretary prescribes by regulation, the institution and any other participant in the transaction the Secretary may prescribe shall file a report on the transaction at the time and in the way the Secretary pre-

scribes. A participant acting for another person shall make the report as the agent or bailee of the person and identify the person for whom the transaction is being made.

(b) The Secretary may designate a domestic financial institution as an agent of the United States Government to receive a report under this section. However, the Secretary may designate a domestic financial institution that is not insured, chartered, examined, or registered as a domestic financial institution only if the institution consents. The Secretary may suspend or revoke a designation for a violation of this subchapter or a regulation under this subchapter (except a violation of section 5315 of this title or a regulation prescribed under section 5315), section 411¹ of the National Housing Act (12 U.S.C. 1730d), or section 21 of the Federal Deposit Insurance Act (12 U.S.C. 1829b).

(c)(1) A person (except a domestic financial institution designated under subsection (b) of this section) required to file a report under this section shall file the report—

(A) with the institution involved in the transaction if the institution was designated;

(B) in the way the Secretary prescribes when the institution was not designated; or

(C) with the Secretary.

(2) The Secretary shall prescribe—

(A) the filing procedure for a domestic financial institution designated under subsection (b) of this section; and

(B) the way the institution shall submit reports filed with it.

(d) MANDATORY EXEMPTIONS FROM REPORTING REQUIREMENTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall exempt, pursuant to section 5318(a)(6), a depository institution from the reporting requirements of subsection (a) with respect to transactions between the depository institution and the following categories of entities:

(A) Another depository institution.

(B) A department or agency of the United States, any State, or any political subdivision of any State.

(C) Any entity established under the laws of the United States, any State, or any political subdivision of any State, or under an interstate compact between 2 or more States, which exercises governmental authority on behalf of the United States or any such State or political subdivision.

(D) Any business or category of business the reports on which have little or no value for law enforcement purposes.

(2) NOTICE OF EXEMPTION.—The Secretary of the Treasury shall publish in the Federal Register at such times as the Secretary determines to be appropriate (but not less frequently than once each year) a list of all the entities whose transactions with a depository institution are exempt under this subsection from the reporting requirements of subsection (a).

(e) DISCRETIONARY EXEMPTIONS FROM REPORTING REQUIREMENTS.—

¹ See References in Text note below.

(1) **IN GENERAL.**—The Secretary of the Treasury may exempt, pursuant to section 5318(a)(6), a depository institution from the reporting requirements of subsection (a) with respect to transactions between the depository institution and a qualified business customer of the institution on the basis of information submitted to the Secretary by the institution in accordance with procedures which the Secretary shall establish.

(2) **QUALIFIED BUSINESS CUSTOMER DEFINED.**—For purposes of this subsection, the term “qualified business customer” means a business which—

(A) maintains a transaction account (as defined in section 19(b)(1)(C) of the Federal Reserve Act) at the depository institution;

(B) frequently engages in transactions with the depository institution which are subject to the reporting requirements of subsection (a); and

(C) meets criteria which the Secretary determines are sufficient to ensure that the purposes of this subchapter are carried out without requiring a report with respect to such transactions.

(3) **CRITERIA FOR EXEMPTION.**—The Secretary of the Treasury shall establish, by regulation, the criteria for granting and maintaining an exemption under paragraph (1).

(4) **GUIDELINES.**—

(A) **IN GENERAL.**—The Secretary of the Treasury shall establish guidelines for depository institutions to follow in selecting customers for an exemption under this subsection.

(B) **CONTENTS.**—The guidelines may include a description of the types of businesses or an itemization of specific businesses for which no exemption will be granted under this subsection to any depository institution.

(5) **ANNUAL REVIEW.**—The Secretary of the Treasury shall prescribe regulations requiring each depository institution to—

(A) review, at least once each year, the qualified business customers of such institution with respect to whom an exemption has been granted under this subsection; and

(B) upon the completion of such review, re-submit information about such customers, with such modifications as the institution determines to be appropriate, to the Secretary for the Secretary’s approval.

(6) **2-YEAR PHASE-IN PROVISION.**—During the 2-year period beginning on the date of enactment of the Money Laundering Suppression Act of 1994, this subsection shall be applied by the Secretary on the basis of such criteria as the Secretary determines to be appropriate to achieve an orderly implementation of the requirements of this subsection.

(f) **PROVISIONS APPLICABLE TO MANDATORY AND DISCRETIONARY EXEMPTIONS.**—

(1) **LIMITATION ON LIABILITY OF DEPOSITORY INSTITUTIONS.**—No depository institution shall be subject to any penalty which may be imposed under this subchapter for the failure of the institution to file a report with respect to

a transaction with a customer for whom an exemption has been granted under subsection (d) or (e) unless the institution—

(A) knowingly files false or incomplete information to the Secretary with respect to the transaction or the customer engaging in the transaction; or

(B) has reason to believe at the time the exemption is granted or the transaction is entered into that the customer or the transaction does not meet the criteria established for granting such exemption.

(2) **COORDINATION WITH OTHER PROVISIONS.**—Any exemption granted by the Secretary of the Treasury under section 5318(a) in accordance with this section, and any transaction which is subject to such exemption, shall be subject to any other provision of law applicable to such exemption, including—

(A) the authority of the Secretary, under section 5318(a)(6), to revoke such exemption at any time; and

(B) any requirement to report, or any authority to require a report on, any possible violation of any law or regulation or any suspected criminal activity.

(g) **DEPOSITORY INSTITUTION DEFINED.**—For purposes of this section, the term “depository institution”—

(1) has the meaning given to such term in section 19(b)(1)(A) of the Federal Reserve Act; and

(2) includes—

(A) any branch, agency, or commercial lending company (as such terms are defined in section 1(b) of the International Banking Act of 1978);

(B) any corporation chartered under section 25A of the Federal Reserve Act; and

(C) any corporation having an agreement or undertaking with the Board of Governors of the Federal Reserve System under section 25 of the Federal Reserve Act.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 996; Pub. L. 103-325, title IV, §402(a), Sept. 23, 1994, 108 Stat. 2243.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5313(a)	31:1081.	Oct. 26, 1970, Pub. L. 91-508, §§221-223, 84 Stat. 1122.
5313(b)	31:1082.	
5313(c)	31:1083(a).	
	31:1083(b).	

In subsection (a), the words “coins or” are added, and the words “prescribe” and “prescribes” are substituted for “specify” in 31:1081, and “require”, for consistency. The words “other parties thereto or” in 31:1082 are omitted as surplus. The words “to the Secretary” in 31:1081 are omitted as unnecessary and for clarity. The words “in such detail” are omitted as surplus. The words “A participant acting for another person shall make the report as the agent or bailee of the person and identify the person for whom the transaction is being made” are substituted for 31:1082(last sentence) for clarity and to eliminate unnecessary words.

In subsection (b), the words “in his discretion” and “individually or by class” are omitted as surplus. The word “Government” is added for consistency. The words “or a regulation under this subchapter”, are added because of the restatement. The words “(except

a violation of section 5315 of this title or a regulation prescribed under section 5315)" are added because 31:1141-1143 was not enacted as a part of the Currency and Foreign Transactions Reporting Act that is restated in this subchapter.

In subsection (c)(1), clause (A) is substituted for "with respect to a domestic financial institution . . . with that institution" for clarity. Clause (C) is substituted for "any such person may, at his election and in lieu of filing the report in the manner hereinabove prescribed, file the report with the Secretary" to eliminate unnecessary words.

REFERENCES IN TEXT

Section 411 of the National Housing Act, referred to in subsec. (b), which was classified to section 1730d of Title 12, Banks and Banking, was repealed by Pub. L. 101-73, title IV, § 407, Aug. 9, 1989, 103 Stat. 363.

Section 19(b)(1)(A) and (C) of the Federal Reserve Act, referred to in subsecs. (e)(2)(A) and (g)(1), is classified to section 461(b)(1)(A) and (C) of Title 12.

The date of enactment of the Money Laundering Suppression Act of 1994, referred to in subsec. (e)(6), is the date of enactment of title IV of Pub. L. 103-325, which was approved Sept. 23, 1994.

Section 1(b) of the International Banking Act of 1978, referred to in subsec. (g)(2)(A), is classified to section 3101 of Title 12.

Sections 25 and 25A of the Federal Reserve Act, referred to in subsec. (g)(2)(B), (C), are classified to subchapters I (§§ 601 et seq.) and II (§§ 611 et seq.), respectively, of chapter 6 of Title 12.

AMENDMENTS

1994—Subsecs. (d) to (g). Pub. L. 103-325 added subsecs. (d) to (g).

EFFICIENT USE OF CURRENCY TRANSACTION REPORT SYSTEM

Pub. L. 107-56, title III, § 366, Oct. 26, 2001, 115 Stat. 335, provided that:

"(a) FINDINGS.—The Congress finds the following:

"(1) The Congress established the currency transaction reporting requirements in 1970 because the Congress found then that such reports have a high degree of usefulness in criminal, tax, and regulatory investigations and proceedings and the usefulness of such reports has only increased in the years since the requirements were established.

"(2) In 1994, in response to reports and testimony that excess amounts of currency transaction reports were interfering with effective law enforcement, the Congress reformed the currency transaction report exemption requirements to provide—

"(A) mandatory exemptions for certain reports that had little usefulness for law enforcement, such as cash transfers between depository institutions and cash deposits from government agencies; and

"(B) discretionary authority for the Secretary of the Treasury to provide exemptions, subject to criteria and guidelines established by the Secretary, for financial institutions with regard to regular business customers that maintain accounts at an institution into which frequent cash deposits are made.

"(3) Today there is evidence that some financial institutions are not utilizing the exemption system, or are filing reports even if there is an exemption in effect, with the result that the volume of currency transaction reports is once again interfering with effective law enforcement.

"(b) STUDY AND REPORT.—

"(1) STUDY REQUIRED.—The Secretary shall conduct a study of—

"(A) the possible expansion of the statutory exemption system in effect under section 5313 of title 31, United States Code; and

"(B) methods for improving financial institution utilization of the statutory exemption provisions as

a way of reducing the submission of currency transaction reports that have little or no value for law enforcement purposes, including improvements in the systems in effect at financial institutions for regular review of the exemption procedures used at the institution and the training of personnel in its effective use.

"(2) REPORT REQUIRED.—The Secretary of the Treasury shall submit a report to the Congress before the end of the 1-year period beginning on the date of enactment of this Act [Oct. 26, 2001] containing the findings and conclusions of the Secretary with regard to the study required under subsection (a), and such recommendations for legislative or administrative action as the Secretary determines to be appropriate."

REPORT REDUCTION GOAL; STREAMLINED CURRENCY TRANSACTION REPORTS

Section 402(b), (c) of Pub. L. 103-325 provided that:

"(b) REPORT REDUCTION GOAL; REPORTS.—

"(1) IN GENERAL.—In implementing the amendment made by subsection (a) [amending this section], the Secretary of the Treasury shall seek to reduce, within a reasonable period of time, the number of reports required to be filed in the aggregate by depository institutions pursuant to section 5313(a) of title 31, United States Code, by at least 30 percent of the number filed during the year preceding the date of enactment of this Act [Sept. 23, 1994].

"(2) INTERIM REPORT.—The Secretary of the Treasury shall submit a report to the Congress not later than the end of the 180-day period beginning on the date of enactment of this Act on the progress made by the Secretary in implementing the amendment made by subsection (a).

"(3) ANNUAL REPORT.—The Secretary of the Treasury shall submit an annual report to the Congress after the end of each of the first 5 calendar years which begin after the date of enactment of this Act on the extent to which the Secretary has reduced the overall number of currency transaction reports filed with the Secretary pursuant to section 5313(a) of title 31, United States Code, consistent with the purposes of such section and effective law enforcement.

"(c) STREAMLINED CURRENCY TRANSACTION REPORTS.—The Secretary of the Treasury shall take such action as may be appropriate to—

"(1) redesign the format of reports required to be filed under section 5313(a) of title 31, United States Code, by any financial institution (as defined in section 5312(a)(2) of such title) to eliminate the need to report information which has little or no value for law enforcement purposes; and

"(2) reduce the time and effort required to prepare such report for filing by any such financial institution under such section."

§ 5314. Records and reports on foreign financial agency transactions

(a) Considering the need to avoid impeding or controlling the export or import of monetary instruments and the need to avoid burdening unreasonably a person making a transaction with a foreign financial agency, the Secretary of the Treasury shall require a resident or citizen of the United States or a person in, and doing business in, the United States, to keep records, file reports, or keep records and file reports, when the resident, citizen, or person makes a transaction or maintains a relation for any person with a foreign financial agency. The records and reports shall contain the following information in the way and to the extent the Secretary prescribes:

(1) the identity and address of participants in a transaction or relationship.

(2) the legal capacity in which a participant is acting.

- (3) the identity of real parties in interest.
- (4) a description of the transaction.

(b) The Secretary may prescribe—

- (1) a reasonable classification of persons subject to or exempt from a requirement under this section or a regulation under this section;
- (2) a foreign country to which a requirement or a regulation under this section applies if the Secretary decides applying the requirement or regulation to all foreign countries is unnecessary or undesirable;
- (3) the magnitude of transactions subject to a requirement or a regulation under this section;
- (4) the kind of transaction subject to or exempt from a requirement or a regulation under this section; and
- (5) other matters the Secretary considers necessary to carry out this section or a regulation under this section.

(c) A person shall be required to disclose a record required to be kept under this section or under a regulation under this section only as required by law.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 997.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5314(a)	31:1121(a).	Oct. 26, 1970, Pub. L. 91-508, §§ 241, 242, 84 Stat. 1124.
5314(b)	31:1122.	
5314(c)	31:1121(b).	

In subsection (a), before clause (1), the words “currency or other”, “legitimately”, “by regulation”, and “directly or indirectly” are omitted as surplus. The words “for any person” are substituted for “on behalf of himself or another” to eliminate unnecessary words. The words “and to the extent” are substituted for “and in such detail” for clarity. In clauses (1) and (2), the words “participants” and “participant” are substituted for “parties” for consistency. In clause (2), the words “to the transaction or relationship” are omitted as surplus. In clause (3), the words “if one or more of the parties are not acting solely as principals” are omitted as surplus. In clause (4), the words “including the amounts of money, credit, or other property involved” are omitted as surplus.

In subsection (b), the words “or a regulation under this section” are added because of the restatement. The words “or does not apply” and “uniform” in clause (2) are omitted as surplus. In clause (5), the words “carry out” are substituted for “the application of” for consistency.

In subsection (c), the words “produce or otherwise . . . the contents of” and “in compliance with a subpoena or summons duly authorized and issued or . . . may otherwise be” are omitted as surplus. The words “under a regulation” are added because of the restatement.

COMPLIANCE WITH REPORTING REQUIREMENTS

Pub. L. 107-56, title III, § 361(b), Oct. 26, 2001, 115 Stat. 332, provided that: “The Secretary of the Treasury shall study methods for improving compliance with the reporting requirements established in section 5314 of title 31, United States Code, and shall submit a report on such study to the Congress by the end of the 6-month period beginning on the date of enactment of this Act [Oct. 26, 2001] and each 1-year period thereafter. The initial report shall include historical data on compliance with such reporting requirements.”

§ 5315. Reports on foreign currency transactions

(a) Congress finds that—

(1) moving mobile capital can have a significant impact on the proper functioning of the international monetary system;

(2) it is important to have the most feasible current and complete information on the kind and source of capital flows, including transactions by large United States businesses and their foreign affiliates; and

(3) additional authority should be provided to collect information on capital flows under section 5(b) of the Trading With the Enemy Act (50 App. U.S.C. 5(b)) and section 8 of the Bretton Woods Agreement Act (22 U.S.C. 286f).

(b) In this section, “United States person” and “foreign person controlled by a United States person” have the same meanings given those terms in section 7(f)(2)(A) and (C), respectively, of the Securities and Exchange Act of 1934 (15 U.S.C. 78g(f)(2)(A), (C)).

(c) The Secretary of the Treasury shall prescribe regulations consistent with subsection (a) of this section requiring reports on foreign currency transactions conducted by a United States person or a foreign person controlled by a United States person. The regulations shall require that a report contain information and be submitted at the time and in the way, with reasonable exceptions and classifications, necessary to carry out this section.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 997.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5315(a)	31:1141.	Sept. 21, 1973, Pub. L. 93-110, §§ 201, 202, 87 Stat. 353.
5315(b), (c).	31:1142.	

In subsection (a)(3), the words “it is desirable to emphasize this objective . . . existing legal” are omitted as unnecessary.

In subsection (c), the words “(hereafter referred to as the ‘Secretary’)” are omitted because of the restatement. The words “under the authority of this subchapter and any other authority conferred by law” are omitted as surplus. The word “prescribe” is substituted for “supplement” for clarity. The words “the statement of findings under” and “the submission of” are omitted as surplus. The words “Reports required under this subchapter shall cover foreign currency transactions” are omitted because of the restatement. The words “such terms are” and “the policy of” are omitted as surplus.

REFERENCES IN TEXT

Section 5(b) of the Trading With the Enemy Act, referred to in subsec. (a)(3), is also classified to section 95a of Title 12, Banks and Banking.

§ 5316. Reports on exporting and importing monetary instruments

(a) Except as provided in subsection (c) of this section, a person or an agent or bailee of the person shall file a report under subsection (b) of this section when the person, agent, or bailee knowingly—

(1) transports, is about to transport, or has transported, monetary instruments of more than \$10,000 at one time—

(A) from a place in the United States to or through a place outside the United States; or

(B) to a place in the United States from or through a place outside the United States; or

(2) receives monetary instruments of more than \$10,000 at one time transported into the United States from or through a place outside the United States.

(b) A report under this section shall be filed at the time and place the Secretary of the Treasury prescribes. The report shall contain the following information to the extent the Secretary prescribes:

(1) the legal capacity in which the person filing the report is acting.

(2) the origin, destination, and route of the monetary instruments.

(3) when the monetary instruments are not legally and beneficially owned by the person transporting the instruments, or if the person transporting the instruments personally is not going to use them, the identity of the person that gave the instruments to the person transporting them, the identity of the person who is to receive them, or both.

(4) the amount and kind of monetary instruments transported.

(5) additional information.

(c) This section or a regulation under this section does not apply to a common carrier of passengers when a passenger possesses a monetary instrument, or to a common carrier of goods if the shipper does not declare the instrument.

(d) CUMULATION OF CLOSELY RELATED EVENTS.—The Secretary of the Treasury may prescribe regulations under this section defining the term “at one time” for purposes of subsection (a). Such regulations may permit the cumulation of closely related events in order that such events may collectively be considered to occur at one time for the purposes of subsection (a).

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 998; Pub. L. 98-473, title II, §901(c), Oct. 12, 1984, 98 Stat. 2135; Pub. L. 99-570, title I, §1358, title III, §3153, Oct. 27, 1986, 100 Stat. 3207-26, 3207-94.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5316(a)	31:1101(a).	Oct. 26, 1970, Pub. L. 91-508, §231, 84 Stat. 1122.
5316(b)	31:1101(b).	
5316(c)	31:1101(c).	

In subsection (a), before clause (1), the words “a person or an agent or bailee of the person shall” are substituted for “whoever, whether as principal, agent, or bailee, or by an agent or bailee” for consistency. The words “or reports” are omitted as unnecessary because of 1:1. In clause (2), the words “transported into the United States” are substituted for “at the termination of their transportation to the United States” for consistency and to eliminate unnecessary words.

In subsection (b), before clause (1), the word “required” is omitted as surplus. The word “prescribes” is substituted for “require” for consistency in the revised title and with other titles of the United States Code. The words “to the extent” are substituted for “in such detail” for clarity. In clause (1), the words “with respect to the monetary instruments transported” are omitted as surplus. In clause (3), the words “or if the person transporting the instruments personally is not

going to use them” are substituted for “or are transported for any purpose other than the use in his own behalf of the person transporting the same” for clarity.

In subsection (c), the words “or a regulation under this section” are added because of the restatement.

AMENDMENTS

1986—Subsec. (a)(1). Pub. L. 99-570, §1358(b), substituted “transports, is about to transport, or has transported” for “transports or has transported, or attempts to transport or have transported”.

Subsec. (a)(2). Pub. L. 99-570, §§1358(c), 3153, made identical amendments substituting “\$10,000” for “\$5,000”.

Subsec. (d). Pub. L. 99-570, §1358(a), added subsec. (d). 1984—Subsec. (a)(1). Pub. L. 98-473 inserted “, or attempts to transport or have transported,” after “transports or has transported” and substituted “\$10,000” for “\$5,000”.

EFFECTIVE DATE OF REGULATIONS PRESCRIBED UNDER 1986 AMENDMENT

Section 1364(d) of Pub. L. 99-570 provided that: “Any regulation prescribed under the amendments made by section 1358 [amending this section] shall apply with respect to transactions completed after the effective date of such regulation.”

§ 5317. Search and forfeiture of monetary instruments

(a) The Secretary of the Treasury may apply to a court of competent jurisdiction for a search warrant when the Secretary reasonably believes a monetary instrument is being transported and a report on the instrument under section 5316 of this title has not been filed or contains a material omission or misstatement. The Secretary shall include a statement of information in support of the warrant. On a showing of probable cause, the court may issue a search warrant for a designated person or a designated or described place or physical object. This subsection does not affect the authority of the Secretary under another law.

(b) SEARCHES AT BORDER.—For purposes of ensuring compliance with the requirements of section 5316, a customs officer may stop and search, at the border and without a search warrant, any vehicle, vessel, aircraft, or other conveyance, any envelope or other container, and any person entering or departing from the United States.

(c) FORFEITURE.—

(1) CRIMINAL FORFEITURE.—

(A) IN GENERAL.—The court in imposing sentence for any violation of section 5313, 5316, or 5324 of this title, or any conspiracy to commit such violation, shall order the defendant to forfeit all property, real or personal, involved in the offense and any property traceable thereto.

(B) PROCEDURE.—Forfeitures under this paragraph shall be governed by the procedures established in section 413 of the Controlled Substances Act.

(2) CIVIL FORFEITURE.—Any property involved in a violation of section 5313, 5316, or 5324 of this title, or any conspiracy to commit any such violation, and any property traceable to any such violation or conspiracy, may be seized and forfeited to the United States in accordance with the procedures governing civil forfeitures in money laundering cases pursuant to section 981(a)(1)(A) of title 18, United States Code.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 998; Pub. L. 98-473, title II, §901(d), Oct. 12, 1984, 98 Stat. 2135; Pub. L. 99-570, title I, §1355, Oct. 27, 1986, 100 Stat. 3207-22; Pub. L. 102-550, title XV, §1525(c)(2), Oct. 28, 1992, 106 Stat. 4065; Pub. L. 107-56, title III, §§365(b)(2)(B), 372(a), Oct. 26, 2001, 115 Stat. 335, 338.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5317(a)	31:1105.	Oct. 26, 1970, Pub. L. 91-508, §§232, 235, 84 Stat. 1123.
5317(b)	31:1102.	

In subsection (a), the words “The Secretary shall include a statement of information in support of the warrant” are substituted for 31:1105(a)(last sentence) to eliminate unnecessary words and for consistency. The word “for” is substituted for “authorizing the search of . . . all of the following” to eliminate unnecessary words. The words “or more” are omitted as unnecessary because the singular includes the plural under 1:1. The words “or premises”, “letters, parcels, packages, or other”, and “vehicles” are omitted as surplus.

In subsection (b), the words “either” and “the possession of” are omitted as surplus. The words “United States Postal Service” are substituted for “postal service” for consistency with title 39. The words “or retained in” are omitted as surplus.

REFERENCES IN TEXT

Section 413 of the Controlled Substances Act, referred to in subsec. (c)(1)(B), is classified to section 853 of Title 21, Food and Drugs.

AMENDMENTS

2001—Subsec. (c). Pub. L. 107-56, §372(a), inserted heading and amended text of subsec. (c) generally. Prior to amendment, text read as follows: “If a report required under section 5316 with respect to any monetary instrument is not filed (or if filed, contains a material omission or misstatement of fact), the instrument and any interest in property, including a deposit in a financial institution, traceable to such instrument may be seized and forfeited to the United States Government. Any property, real or personal, involved in a transaction or attempted transaction in violation of section 5324(c), or any property traceable to such property, may be seized and forfeited to the United States Government. A monetary instrument transported by mail or a common carrier, messenger, or bailee is being transported under this subsection from the time the instrument is delivered to the United States Postal Service, common carrier, messenger, or bailee through the time it is delivered to the addressee, intended recipient, or agent of the addressee or intended recipient without being transported further in, or taken out of, the United States.”

Pub. L. 107-56, §365(b)(2)(B), substituted “section 5324(c)” for “section 5324(b)”.

1992—Subsec. (c). Pub. L. 102-550 inserted after first sentence “Any property, real or personal, involved in a transaction or attempted transaction in violation of section 5324(b), or any property traceable to such property, may be seized and forfeited to the United States Government.”

1986—Subsec. (b). Pub. L. 99-570, §1355(a), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “A customs officer may stop and search, without a search warrant, a vehicle, vessel, aircraft, or other conveyance, envelope or other container, or person entering or departing from the United States with respect to which or whom the officer has reasonable cause to believe there is a monetary instrument being transported in violation of section 5316 of this title.”

Subsec. (c). Pub. L. 99-570, §1355(b), amended first sentence generally. Prior to amendment, first sentence

read as follows: “A monetary instrument being transported may be seized and forfeited to the United States Government when a report on the instrument under section 5316 of this title has not been filed or contains a material omission or misstatement.”

1984—Subsecs. (b), (c). Pub. L. 98-473, §901, added subsec. (b) and redesignated former subsec. (b) as (c).

EFFECTIVE DATE OF 1986 AMENDMENT

Section 1364(b) of Pub. L. 99-570 provided that: “The amendments made by sections 1355(b) and 1357(a) [amending this section and section 5321 of this title] shall apply with respect to violations committed after the end of the 3-month period beginning on the date of the enactment of this Act [Oct. 27, 1986].”

§ 5318. Compliance, exemptions, and summons authority

(a) GENERAL POWERS OF SECRETARY.—The Secretary of the Treasury may (except under section 5315 of this title and regulations prescribed under section 5315)—

(1) except as provided in subsection (b)(2), delegate duties and powers under this subchapter to an appropriate supervising agency and the United States Postal Service;

(2) require a class of domestic financial institutions or nonfinancial trades or businesses to maintain appropriate procedures to ensure compliance with this subchapter and regulations prescribed under this subchapter or to guard against money laundering;

(3) examine any books, papers, records, or other data of domestic financial institutions or nonfinancial trades or businesses relevant to the recordkeeping or reporting requirements of this subchapter;

(4) summon a financial institution or nonfinancial trade or business, an officer or employee of a financial institution or nonfinancial trade or business (including a former officer or employee), or any person having possession, custody, or care of the reports and records required under this subchapter, to appear before the Secretary of the Treasury or his delegate at a time and place named in the summons and to produce such books, papers, records, or other data, and to give testimony, under oath, as may be relevant or material to an investigation described in subsection (b);

(5) exempt from the requirements of this subchapter any class of transactions within any State if the Secretary determines that—

(A) under the laws of such State, that class of transactions is subject to requirements substantially similar to those imposed under this subchapter; and

(B) there is adequate provision for the enforcement of such requirements; and

(6) prescribe an appropriate exemption from a requirement under this subchapter and regulations prescribed under this subchapter. The Secretary may revoke an exemption under this paragraph or paragraph (5) by actually or constructively notifying the parties affected. A revocation is effective during judicial review.

(b) LIMITATIONS ON SUMMONS POWER.—

(1) SCOPE OF POWER.—The Secretary of the Treasury may take any action described in paragraph (3) or (4) of subsection (a) only in

connection with investigations for the purpose of civil enforcement of violations of this subchapter, section 21 of the Federal Deposit Insurance Act, section 411¹ of the National Housing Act, or chapter 2 of Public Law 91-508 (12 U.S.C. 1951 et seq.) or any regulation under any such provision.

(2) **AUTHORITY TO ISSUE.**—A summons may be issued under subsection (a)(4) only by, or with the approval of, the Secretary of the Treasury or a supervisory level delegate of the Secretary of the Treasury.

(c) **ADMINISTRATIVE ASPECTS OF SUMMONS.**—

(1) **PRODUCTION AT DESIGNATED SITE.**—A summons issued pursuant to this section may require that books, papers, records, or other data stored or maintained at any place be produced at any designated location in any State or in any territory or other place subject to the jurisdiction of the United States not more than 500 miles distant from any place where the financial institution or nonfinancial trade or business operates or conducts business in the United States.

(2) **FEES AND TRAVEL EXPENSES.**—Persons summoned under this section shall be paid the same fees and mileage for travel in the United States that are paid witnesses in the courts of the United States.

(3) **NO LIABILITY FOR EXPENSES.**—The United States shall not be liable for any expense, other than an expense described in paragraph (2), incurred in connection with the production of books, papers, records, or other data under this section.

(d) **SERVICE OF SUMMONS.**—Service of a summons issued under this section may be by registered mail or in such other manner calculated to give actual notice as the Secretary may prescribe by regulation.

(e) **CONTUMACY OR REFUSAL.**—

(1) **REFERRAL TO ATTORNEY GENERAL.**—In case of contumacy by a person issued a summons under paragraph (3) or (4) of subsection (a) or a refusal by such person to obey such summons, the Secretary of the Treasury shall refer the matter to the Attorney General.

(2) **JURISDICTION OF COURT.**—The Attorney General may invoke the aid of any court of the United States within the jurisdiction of which—

(A) the investigation which gave rise to the summons is being or has been carried on;

(B) the person summoned is an inhabitant;

or

(C) the person summoned carries on business or may be found,

to compel compliance with the summons.

(3) **COURT ORDER.**—The court may issue an order requiring the person summoned to appear before the Secretary or his delegate to produce books, papers, records, and other data, to give testimony as may be necessary to explain how such material was compiled and maintained, and to pay the costs of the proceeding.

(4) **FAILURE TO COMPLY WITH ORDER.**—Any failure to obey the order of the court may be punished by the court as a contempt thereof.

(5) **SERVICE OF PROCESS.**—All process in any case under this subsection may be served in any judicial district in which such person may be found.

(f) **WRITTEN AND SIGNED STATEMENT REQUIRED.**—No person shall qualify for an exemption under subsection (a)(5)² unless the relevant financial institution or nonfinancial trade or business prepares and maintains a statement which—

(1) describes in detail the reasons why such person is qualified for such exemption; and

(2) contains the signature of such person.

(g) **REPORTING OF SUSPICIOUS TRANSACTIONS.**—

(1) **IN GENERAL.**—The Secretary may require any financial institution, and any director, officer, employee, or agent of any financial institution, to report any suspicious transaction relevant to a possible violation of law or regulation.

(2) **NOTIFICATION PROHIBITED.**—

(A) **IN GENERAL.**—If a financial institution or any director, officer, employee, or agent of any financial institution, voluntarily or pursuant to this section or any other authority, reports a suspicious transaction to a government agency—

(i) neither the financial institution, director, officer, employee, or agent of such institution (whether or not any such person is still employed by the institution), nor any other current or former director, officer, or employee of, or contractor for, the financial institution or other reporting person, may notify any person involved in the transaction that the transaction has been reported; and

(ii) no current or former officer or employee of or contractor for the Federal Government or of or for any State, local, tribal, or territorial government within the United States, who has any knowledge that such report was made may disclose to any person involved in the transaction that the transaction has been reported, other than as necessary to fulfill the official duties of such officer or employee.

(B) **DISCLOSURES IN CERTAIN EMPLOYMENT REFERENCES.**—

(i) **RULE OF CONSTRUCTION.**—Notwithstanding the application of subparagraph (A) in any other context, subparagraph (A) shall not be construed as prohibiting any financial institution, or any director, officer, employee, or agent of such institution, from including information that was included in a report to which subparagraph (A) applies—

(I) in a written employment reference that is provided in accordance with section 18(w) of the Federal Deposit Insurance Act in response to a request from another financial institution; or

(II) in a written termination notice or employment reference that is provided in accordance with the rules of a self-regulatory organization registered with the Securities and Exchange Commission

¹ See References in Text note below.

² See References in Text note below.

or the Commodity Futures Trading Commission,

except that such written reference or notice may not disclose that such information was also included in any such report, or that such report was made.

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

(3) LIABILITY FOR DISCLOSURES.—

(A) IN GENERAL.—Any financial institution that makes a voluntary disclosure of any possible violation of law or regulation to a government agency or makes a disclosure pursuant to this subsection or any other authority, and any director, officer, employee, or agent of such institution who makes, or requires another to make any such disclosure, shall not be liable to any person under any law or regulation of the United States, any constitution, law, or regulation of any State or political subdivision of any State, or under any contract or other legally enforceable agreement (including any arbitration agreement), for such disclosure or for any failure to provide notice of such disclosure to the person who is the subject of such disclosure or any other person identified in the disclosure.

(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as creating—

(i) any inference that the term “person”, as used in such subparagraph, may be construed more broadly than its ordinary usage so as to include any government or agency of government; or

(ii) any immunity against, or otherwise affecting, any civil or criminal action brought by any government or agency of government to enforce any constitution, law, or regulation of such government or agency.

(4) SINGLE DESIGNEE FOR REPORTING SUSPICIOUS TRANSACTIONS.—

(A) IN GENERAL.—In requiring reports under paragraph (1) of suspicious transactions, the Secretary of the Treasury shall designate, to the extent practicable and appropriate, a single officer or agency of the United States to whom such reports shall be made.

(B) DUTY OF DESIGNEE.—The officer or agency of the United States designated by the Secretary of the Treasury pursuant to subparagraph (A) shall refer any report of a suspicious transaction to any appropriate law enforcement, supervisory agency, or United States intelligence agency for use in the conduct of intelligence or counter-intelligence activities, including analysis, to protect against international terrorism.

(C) COORDINATION WITH OTHER REPORTING REQUIREMENTS.—Subparagraph (A) shall not be construed as precluding any supervisory agency for any financial institution from requiring the financial institution to submit any information or report to the agency or

another agency pursuant to any other applicable provision of law.

(h) ANTI-MONEY LAUNDERING PROGRAMS.—

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

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

(B) the designation of a compliance officer;

(C) an ongoing employee training program; and

(D) an independent audit function to test programs.

(2) REGULATIONS.—The Secretary of the Treasury, after consultation with the appropriate Federal functional regulator (as defined in section 509 of the Gramm-Leach-Bliley Act), may prescribe minimum standards for programs established under paragraph (1), and may exempt from the application of those standards any financial institution that is not subject to the provisions of the rules contained in part 103 of title 31, of the Code of Federal Regulations, or any successor rule thereto, for so long as such financial institution is not subject to the provisions of such rules.

(3) CONCENTRATION ACCOUNTS.—The Secretary may prescribe regulations under this subsection that govern maintenance of concentration accounts by financial institutions, in order to ensure that such accounts 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, which regulations shall, at a minimum—

(A) prohibit financial institutions from allowing clients to direct transactions that move their funds into, out of, or through the concentration accounts of the financial institution;

(B) prohibit financial institutions and their employees from informing customers of the existence of, or the means of identifying, the concentration accounts of the institution; and

(C) require each financial institution to establish written procedures governing the documentation of all transactions involving a concentration account, which procedures shall ensure that, any time a transaction involving a concentration account commingles funds belonging to 1 or more customers, the identity of, and specific amount belonging to, each customer is documented.

(i) DUE DILIGENCE FOR UNITED STATES PRIVATE BANKING AND CORRESPONDENT BANK ACCOUNTS INVOLVING FOREIGN PERSONS.—

(1) IN GENERAL.—Each financial institution that establishes, maintains, administers, or manages a private banking account or a correspondent account in the United States for a non-United States person, including a foreign individual visiting the United States, or a representative of a non-United States person shall establish appropriate, specific, and, where necessary, enhanced, due diligence poli-

cies, procedures, and controls that are reasonably designed to detect and report instances of money laundering through those accounts.

(2) ADDITIONAL STANDARDS FOR CERTAIN CORRESPONDENT ACCOUNTS.—

(A) IN GENERAL.—Subparagraph (B) shall apply if a correspondent account is requested or maintained by, or on behalf of, a foreign bank operating—

(i) under an offshore banking license; or
(ii) under a banking license issued by a foreign country that has been designated—

(I) as noncooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization of which the United States is a member, with which designation the United States representative to the group or organization concurs; or

(II) by the Secretary of the Treasury as warranting special measures due to money laundering concerns.

(B) POLICIES, PROCEDURES, AND CONTROLS.—The enhanced due diligence policies, procedures, and controls required under paragraph (1) shall, at a minimum, ensure that the financial institution in the United States takes reasonable steps—

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

(ii) to conduct enhanced scrutiny of such account to guard against money laundering and report any suspicious transactions under subsection (g); and

(iii) to ascertain whether such foreign bank provides correspondent accounts to other foreign banks and, if so, the identity of those foreign banks and related due diligence information, as appropriate under paragraph (1).

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

(A) to ascertain the identity of the nominal and beneficial owners of, and the source of funds deposited into, such account as needed to guard against money laundering and report any suspicious transactions under subsection (g); and

(B) to conduct enhanced scrutiny of any such account that is requested or maintained by, or on behalf of, a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure, that is reasonably designed to detect and report transactions that may involve the proceeds of foreign corruption.

(4) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

(A) OFFSHORE BANKING LICENSE.—The term “offshore banking license” means a license

to conduct banking activities which, as a condition of the license, prohibits the licensed entity from conducting banking activities with the citizens of, or with the local currency of, the country which issued the license.

(B) PRIVATE BANKING ACCOUNT.—The term “private banking account” means an account (or any combination of accounts) that—

(i) requires a minimum aggregate deposits of funds or other assets of not less than \$1,000,000;

(ii) is established on behalf of 1 or more individuals who have a direct or beneficial ownership interest in the account; and

(iii) is assigned to, or is administered or managed by, in whole or in part, an officer, employee, or agent of a financial institution acting as a liaison between the financial institution and the direct or beneficial owner of the account.

(j) PROHIBITION ON UNITED STATES CORRESPONDENT ACCOUNTS WITH FOREIGN SHELL BANKS.—

(1) IN GENERAL.—A financial institution described in subparagraphs (A) through (G) of section 5312(a)(2) (in this subsection referred to as a “covered financial institution”) shall not establish, maintain, administer, or manage a correspondent account in the United States for, or on behalf of, a foreign bank that does not have a physical presence in any country.

(2) PREVENTION OF INDIRECT SERVICE TO FOREIGN SHELL BANKS.—A covered financial institution shall take reasonable steps to ensure that any correspondent account established, maintained, administered, or managed by that covered financial institution in the United States for a foreign bank is not being used by that foreign bank to indirectly provide banking services to another foreign bank that does not have a physical presence in any country. The Secretary of the Treasury shall, by regulation, delineate the reasonable steps necessary to comply with this paragraph.

(3) EXCEPTION.—Paragraphs (1) and (2) do not prohibit a covered financial institution from providing a correspondent account to a foreign bank, if the foreign bank—

(A) is an affiliate of a depository institution, credit union, or foreign bank that maintains a physical presence in the United States or a foreign country, as applicable; and

(B) is subject to supervision by a banking authority in the country regulating the affiliated depository institution, credit union, or foreign bank described in subparagraph (A), as applicable.

(4) DEFINITIONS.—For purposes of this subsection—

(A) the term “affiliate” means a foreign bank that is controlled by or is under common control with a depository institution, credit union, or foreign bank; and

(B) the term “physical presence” means a place of business that—

(i) is maintained by a foreign bank;

(ii) is located at a fixed address (other than solely an electronic address) in a country in which the foreign bank is authorized to conduct banking activities, at which location the foreign bank—

(I) employs 1 or more individuals on a full-time basis; and

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

(iii) is subject to inspection by the banking authority which licensed the foreign bank to conduct banking activities.

(k) **BANK RECORDS RELATED TO ANTI-MONEY LAUNDERING PROGRAMS.**—

(1) **DEFINITIONS.**—For purposes of this subsection, the following definitions shall apply:

(A) **APPROPRIATE FEDERAL BANKING AGENCY.**—The term “appropriate Federal banking agency” has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(B) **INCORPORATED TERM.**—The term “correspondent account” has the same meaning as in section 5318A(e)(1)(B).

(2) **120-HOUR RULE.**—Not later than 120 hours after receiving a request by an appropriate Federal banking agency for information related to anti-money laundering compliance by a covered financial institution or a customer of such institution, a covered financial institution shall provide to the appropriate Federal banking agency, or make available at a location specified by the representative of the appropriate Federal banking agency, information and account documentation for any account opened, maintained, administered or managed in the United States by the covered financial institution.

(3) **FOREIGN BANK RECORDS.**—

(A) **SUMMONS OR SUBPOENA OF RECORDS.**—

(i) **IN GENERAL.**—The Secretary of the Treasury or the Attorney General may issue a summons or subpoena to any foreign bank that maintains a correspondent account in the United States and request records related to such correspondent account, including records maintained outside of the United States relating to the deposit of funds into the foreign bank.

(ii) **SERVICE OF SUMMONS OR SUBPOENA.**—A summons or subpoena referred to in clause (i) may be served on the foreign bank in the United States if the foreign bank has a representative in the United States, or in a foreign country pursuant to any mutual legal assistance treaty, multilateral agreement, or other request for international law enforcement assistance.

(B) **ACCEPTANCE OF SERVICE.**—

(i) **MAINTAINING RECORDS IN THE UNITED STATES.**—Any covered financial institution which maintains a correspondent account in the United States for a foreign bank shall maintain records in the United States identifying the owners of such foreign bank and the name and address of a person who resides in the United States and is authorized to accept service of legal process for records regarding the correspondent account.

(ii) **LAW ENFORCEMENT REQUEST.**—Upon receipt of a written request from a Federal law enforcement officer for information required to be maintained under this paragraph, the covered financial institution shall provide the information to the requesting officer not later than 7 days after receipt of the request.

(C) **TERMINATION OF CORRESPONDENT RELATIONSHIP.**—

(i) **TERMINATION UPON RECEIPT OF NOTICE.**—A covered financial institution shall terminate any correspondent relationship with a foreign bank not later than 10 business days after receipt of written notice from the Secretary or the Attorney General (in each case, after consultation with the other) that the foreign bank has failed—

(I) to comply with a summons or subpoena issued under subparagraph (A); or

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

(ii) **LIMITATION ON LIABILITY.**—A covered financial institution shall not be liable to any person in any court or arbitration proceeding for terminating a correspondent relationship in accordance with this subsection.

(iii) **FAILURE TO TERMINATE RELATIONSHIP.**—Failure to terminate a correspondent relationship in accordance with this subsection shall render the covered financial institution liable for a civil penalty of up to \$10,000 per day until the correspondent relationship is so terminated.

(I) **IDENTIFICATION AND VERIFICATION OF ACCOUNTHOLDERS.**—

(1) **IN GENERAL.**—Subject to the requirements of this subsection, the Secretary of the Treasury shall prescribe regulations setting forth the minimum standards for financial institutions and their customers regarding the identity of the customer that shall apply in connection with the opening of an account at a financial institution.

(2) **MINIMUM REQUIREMENTS.**—The regulations shall, at a minimum, require financial institutions to implement, and customers (after being given adequate notice) to comply with, reasonable procedures for—

(A) verifying the identity of any person seeking to open an account to the extent reasonable and practicable;

(B) maintaining records of the information used to verify a person’s identity, including name, address, and other identifying information; and

(C) consulting lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency to determine whether a person seeking to open an account appears on any such list.

(3) **FACTORS TO BE CONSIDERED.**—In prescribing regulations under this subsection, the Secretary shall take into consideration the various types of accounts maintained by various

types of financial institutions, the various methods of opening accounts, and the various types of identifying information available.

(4) CERTAIN FINANCIAL INSTITUTIONS.—In the case of any financial institution the business of which is engaging in financial activities described in section 4(k) of the Bank Holding Company Act of 1956 (including financial activities subject to the jurisdiction of the Commodity Futures Trading Commission), the regulations prescribed by the Secretary under paragraph (1) shall be prescribed jointly with each Federal functional regulator (as defined in section 509 of the Gramm-Leach-Bliley Act, including the Commodity Futures Trading Commission) appropriate for such financial institution.

(5) EXEMPTIONS.—The Secretary (and, in the case of any financial institution described in paragraph (4), any Federal agency described in such paragraph) may, by regulation or order, exempt any financial institution or type of account from the requirements of any regulation prescribed under this subsection in accordance with such standards and procedures as the Secretary may prescribe.

(6) EFFECTIVE DATE.—Final regulations prescribed under this subsection shall take effect before the end of the 1-year period beginning on the date of enactment of the International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001.

(m) APPLICABILITY OF RULES.—Any rules promulgated pursuant to the authority contained in section 21 of the Federal Deposit Insurance Act (12 U.S.C. 1829b) shall apply, in addition to any other financial institution to which such rules apply, to any person that engages as a business in the transmission of funds, including any person who engages as a business in an informal money transfer system or any network of people who engage as a business in facilitating the transfer of money domestically or internationally outside of the conventional financial institutions system.

(n) REPORTING OF CERTAIN CROSS-BORDER TRANSMITTALS OF FUNDS.—

(1) IN GENERAL.—Subject to paragraphs (3) and (4), the Secretary shall prescribe regulations requiring such financial institutions as the Secretary determines to be appropriate to report to the Financial Crimes Enforcement Network certain cross-border electronic transmittals of funds, if the Secretary determines that reporting of such transmittals is reasonably necessary to conduct the efforts of the Secretary against money laundering and terrorist financing.

(2) LIMITATION ON REPORTING REQUIREMENTS.—Information required to be reported by the regulations prescribed under paragraph (1) shall not exceed the information required to be retained by the reporting financial institution pursuant to section 21 of the Federal Deposit Insurance Act and the regulations promulgated thereunder, unless—

(A) the Board of Governors of the Federal Reserve System and the Secretary jointly determine that a particular item or items of information are not currently required to be retained under such section or such regulations; and

(B) the Secretary determines, after consultation with the Board of Governors of the Federal Reserve System, that the reporting of such information is reasonably necessary to conduct the efforts of the Secretary to identify cross-border money laundering and terrorist financing.

(3) FORM AND MANNER OF REPORTS.—In prescribing the regulations required under paragraph (1), the Secretary shall, subject to paragraph (2), determine the appropriate form, manner, content, and frequency of filing of the required reports.

(4) FEASIBILITY REPORT.—

(A) IN GENERAL.—Before prescribing the regulations required under paragraph (1), and as soon as is practicable after the date of enactment of the Intelligence Reform and Terrorism Prevention Act of 2004, the Secretary shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives that—

(i) identifies the information in cross-border electronic transmittals of funds that may be found in particular cases to be reasonably necessary to conduct the efforts of the Secretary to identify money laundering and terrorist financing, and outlines the criteria to be used by the Secretary to select the situations in which reporting under this subsection may be required;

(ii) outlines the appropriate form, manner, content, and frequency of filing of the reports that may be required under such regulations;

(iii) identifies the technology necessary for the Financial Crimes Enforcement Network to receive, keep, exploit, protect the security of, and disseminate information from reports of cross-border electronic transmittals of funds to law enforcement and other entities engaged in efforts against money laundering and terrorist financing; and

(iv) discusses the information security protections required by the exercise of the Secretary's authority under this subsection.

(B) CONSULTATION.—In reporting the feasibility report under subparagraph (A), the Secretary may consult with the Bank Secrecy Act Advisory Group established by the Secretary, and any other group considered by the Secretary to be relevant.

(5) REGULATIONS.—

(A) IN GENERAL.—Subject to subparagraph (B), the regulations required by paragraph (1) shall be prescribed in final form by the Secretary, in consultation with the Board of Governors of the Federal Reserve System, before the end of the 3-year period beginning on the date of enactment of the National Intelligence Reform Act of 2004.

(B) TECHNOLOGICAL FEASIBILITY.—No regulations shall be prescribed under this subsection before the Secretary certifies to the Congress that the Financial Crimes Enforce-

ment Network has the technological systems in place to effectively and efficiently receive, keep, exploit, protect the security of, and disseminate information from reports of cross-border electronic transmittals of funds to law enforcement and other entities engaged in efforts against money laundering and terrorist financing.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 999; Pub. L. 99-570, title I, §1356(a), (b), (c)(2), Oct. 27, 1986, 100 Stat. 3207-23, 3207-24; Pub. L. 100-690, title VI, §§6185(e), 6469(c), Nov. 18, 1988, 102 Stat. 4357, 4377; Pub. L. 102-550, title XV, §§1504(d)(1), 1513, 1517(b), Oct. 28, 1992, 106 Stat. 4055, 4058, 4059; Pub. L. 103-322, title XXXIII, §330017(b)(1), Sept. 13, 1994, 108 Stat. 2149; Pub. L. 103-325, title IV, §§403(a), 410, 413(b)(1), Sept. 23, 1994, 108 Stat. 2245, 2252, 2254; Pub. L. 107-56, title III, §§312(a), 313(a), 319(b), 325, 326(a), 351, 352(a), 358(b), 359(c), 365(c)(2)(B), Oct. 26, 2001, 115 Stat. 304, 306, 312, 317, 320, 322, 326, 328, 335; Pub. L. 108-159, title VIII, §811(g), Dec. 4, 2003, 117 Stat. 2012; Pub. L. 108-458, title VI, §§6202(h), 6203(c), (d), 6302, Dec. 17, 2004, 118 Stat. 3746-3748; Pub. L. 109-177, title IV, §407, Mar. 9, 2006, 120 Stat. 245; Pub. L. 112-74, div. C, title I, §118, Dec. 23, 2011, 125 Stat. 891.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5318	31:1054(a), (b)(1st sentence). 31:1055.	Oct. 26, 1970, Pub. L. 91-508, §§205(a), (b)(1st sentence), 206, 84 Stat. 1120.

In the section, before clause (1), the words “have the responsibility to assure compliance with the requirements of this chapter” in 31:1054(a) are omitted as unnecessary because of section 321 of the revised title. The words “(except under section 5315 of this title and regulations prescribed under section 5315)” are added because 31:1141-1143 was not enacted as a part of the Currency and Foreign Transactions Reporting Act that is restated in this subchapter. In clause (1), the words “duties and powers” are substituted for “responsibilities” for consistency in the revised title and with other titles of the United States Code. The words “bank supervisory agency, or other” are omitted as surplus. In clause (2), the words “by regulation” and “as he may deem” are omitted as surplus. The words “and regulations prescribed under this subchapter” are added because of the restatement. In clause (3), the word “prescribe” is substituted for “make” in 31:1055 for consistency in the revised title and with other titles of the Code. The words “otherwise imposed”, 31:1055(1st sentence), and the words “in his discretion” are omitted as surplus.

REFERENCES IN TEXT

Section 21 of the Federal Deposit Insurance Act, referred to in subsecs. (b)(1), (m), and (n)(2), is classified to section 1829b of Title 12, Banks and Banking.

Section 411 of the National Housing Act, referred to in subsec. (b)(1), which was classified to section 1730d of Title 12, was repealed by Pub. L. 101-73, title IV, §407, Aug. 9, 1989, 103 Stat. 363.

Chapter 2 of Public Law 91-508 (12 U.S.C. 1951 et seq.), referred to in subsec. (b)(1), probably means chapter 2 (§§121 to 129) of title I of Pub. L. 91-508, Oct. 26, 1970, 84 Stat. 1116, which is classified generally to chapter 21 (§1951 et seq.) of Title 12. For complete classification of chapter 2 to the Code, see Tables.

Subsection (a)(5), referred to in subsec. (f), was redesignated subsection (a)(6) by section 410(a)(2) of Pub. L. 103-325.

Section 18(w) of the Federal Deposit Insurance Act, referred to in subsec. (g)(2)(B)(i)(I), is classified to section 1828(w) of Title 12, Banks and Banking.

Section 509 of the Gramm-Leach-Bliley Act, referred to in subsecs. (h)(2) and (l)(4), is classified to section 6809 of Title 15, Commerce and Trade.

Section 4(k) of the Bank Holding Company Act of 1956, referred to in subsec. (l)(4), is classified to section 1843(k) of Title 12, Banks and Banking.

The date of enactment of the International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001, referred to in subsec. (l)(6), is the date of enactment of title III of Pub. L. 107-56, which was approved Oct. 26, 2001.

The date of enactment of the Intelligence Reform and Terrorism Prevention Act of 2004, referred to in subsec. (n)(4)(A), is the date of enactment of Pub. L. 108-458, which was approved Dec. 17, 2004.

The date of enactment of the National Intelligence Reform Act of 2004, referred to in subsec. (n)(5)(A), probably means the date of enactment of the National Security Intelligence Reform Act of 2004, title I of Pub. L. 108-458, which was approved Dec. 17, 2004.

For provisions relating to the Bank Secrecy Act Advisory Group, referred to in subsec. (n)(4)(B), see section 1564 of Pub. L. 102-550, which is set out as a note under section 5311 of this title.

AMENDMENTS

2011—Subsec. (g)(2)(A)(i). Pub. L. 112-74, §118(1), added cl. (i) and struck out former cl. (i) which read as follows: “the financial institution, director, officer, employee, or agent may not notify any person involved in the transaction that the transaction has been reported; and”.

Subsec. (g)(2)(A)(ii). Pub. L. 112-74, §118(2), substituted “no current or former officer or employee of or contractor for” for “no officer or employee of” and inserted “or for” before “any State”.

2006—Subsec. (n)(4)(A). Pub. L. 109-177 substituted “Intelligence Reform and Terrorism Prevention Act of 2004” for “National Intelligence Reform Act of 2004” in introductory provisions.

2004—Subsec. (h)(3). Pub. L. 108-458, §6202(h), made technical correction to directory language of Pub. L. 107-56, §325. See 2001 Amendment note below.

Subsec. (i)(3)(B). Pub. L. 108-458, §6203(c)(1), inserted comma before “that is reasonably designed”.

Subsec. (i)(4). Pub. L. 108-458, §6203(c)(2), substituted “Definitions” for “Definition” in heading.

Subsec. (k)(1)(B). Pub. L. 108-458, §6203(d), substituted “section 5318A(e)(1)(B)” for “section 5318A(f)(1)(B)”.

Subsec. (n). Pub. L. 108-458, §6302, added subsec. (n).

2003—Subsecs. (l), (m). Pub. L. 108-159 redesignated subsec. (l), relating to applicability of rules, as (m).

2001—Subsec. (a)(2), (3). Pub. L. 107-56, §365(c)(2)(B)(ii), inserted “or nonfinancial trades or businesses” after “financial institutions”.

Subsec. (a)(4). Pub. L. 107-56, §365(c)(2)(B)(i), inserted “or nonfinancial trade or business” after “financial institution” in two places.

Subsec. (c)(1). Pub. L. 107-56, §365(c)(2)(B)(i), inserted “or nonfinancial trade or business” after “financial institution”.

Subsec. (f). Pub. L. 107-56, §365(c)(2)(B)(i), inserted “or nonfinancial trade or business” after “financial institution” in introductory provisions.

Subsec. (g)(2). Pub. L. 107-56, §351(b), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “A financial institution, and a director, officer, employee, or agent of any financial institution, who voluntarily reports a suspicious transaction, or that reports a suspicious transaction pursuant to this section or any other authority, may not notify any person involved in the transaction that the transaction has been reported.”

Subsec. (g)(3). Pub. L. 107-56, §351(a), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “Any financial institution that makes a disclosure of any possible viola-

tion of law or regulation or a disclosure pursuant to this subsection or any other authority, and any director, officer, employee, or agent of such institution, shall not be liable to any person under any law or regulation of the United States or any constitution, law, or regulation of any State or political subdivision thereof, for such disclosure or for any failure to notify the person involved in the transaction or any other person of such disclosure.”

Subsec. (g)(4)(B). Pub. L. 107-56, § 358(b), substituted “, supervisory agency, or United States intelligence agency for use in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism” for “or supervisory agency”.

Subsec. (h). Pub. L. 107-56, § 352(a), reenacted heading without change and amended text of subsec. (h) generally. Prior to amendment, text read as follows:

“(1) IN GENERAL.—In order to guard against money laundering through financial institutions, the Secretary may require financial institutions to carry out anti-money laundering programs, including at a minimum

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

“(B) the designation of a compliance officer,

“(C) an ongoing employee training program, and

“(D) an independent audit function to test programs.

“(2) REGULATIONS.—The Secretary may prescribe minimum standards for programs established under paragraph (1).”

Subsec. (h)(3). Pub. L. 107-56, § 325, as amended by Pub. L. 108-458, § 6202(h), added par. (3).

Subsec. (i). Pub. L. 107-56, § 312(a), added subsec. (i).

Subsec. (j). Pub. L. 107-56, § 313(a), added subsec. (j).

Subsec. (k). Pub. L. 107-56, § 319(b), added subsec. (k).

Subsec. (l). Pub. L. 107-56, § 359(c), added subsec. (l) relating to applicability of rules.

Pub. L. 107-56, § 326(a), added subsec. (l) relating to identification and verification of accountholders.

1994—Subsec. (a)(5). Pub. L. 103-325, § 410(a), added par. (5). Former par. (5) redesignated (6).

Subsec. (a)(6). Pub. L. 103-325, § 410(b), inserted “under this paragraph or paragraph (5)” after “revoke an exemption” in penultimate sentence.

Pub. L. 103-325, § 410(a)(2), redesignated par. (5) as (6).

Subsec. (g). Pub. L. 103-322, § 330017(b)(1), and Pub. L. 103-325, § 413(b)(1), amended directory language of Pub. L. 102-550, § 1517(b), identically. See 1992 Amendment note below.

Subsec. (g)(4). Pub. L. 103-325, § 403(a), added par. (4).

Subsec. (h). Pub. L. 103-322, § 330017(b)(1), and Pub. L. 103-325, § 413(b)(1), amended directory language of Pub. L. 102-550, § 1517(b), identically. See 1992 Amendment note below.

1992—Subsec. (a)(1). Pub. L. 102-550, § 1504(d)(1), substituted “supervising agency and the United States Postal Service” for “supervising agency or the Postal Inspection Service and the Postal Service”.

Subsec. (a)(2). Pub. L. 102-550, § 1513, inserted before semicolon “or to guard against money laundering”.

Subsecs. (g), (h). Pub. L. 102-550, § 1517(b), as amended by Pub. L. 103-322, § 330017(b)(1), and Pub. L. 103-325, § 413(b)(1), added subsecs. (g) and (h).

1988—Subsec. (a)(1). Pub. L. 100-690, § 6469(c), inserted “or the Postal Inspection Service” after “appropriate supervising agency”.

Pub. L. 100-690, § 6185(e), inserted “and the Postal Service” after “appropriate supervising agency”.

1986—Pub. L. 99-570, § 1356(c)(2), substituted “Compliance, exemptions, and summons authority” for “Compliance and exemptions” in section catchline.

Subsec. (a). Pub. L. 99-570, § 1356(a)(1)–(5), designated existing provisions as subsec. (a), added subsec. heading, inserted “except as provided in subsection (b)(2),” in par. (1), added pars. (3) and (4), and redesignated former par. (3) as (5).

Subsecs. (b) to (e). Pub. L. 99-570, § 1356(a)(6), added subsecs. (b) to (e).

Subsec. (f). Pub. L. 99-570, § 1356(b), added subsec. (f).

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by sections 6202(h) and 6203(c), (d) of Pub. L. 108-458 effective as if included in Pub. L. 107-56, as of the date of enactment of such Act, and no amendment made by Pub. L. 107-56 that is inconsistent with such amendment to be deemed to have taken effect, see section 6205 of Pub. L. 108-458, set out as a note under section 1828 of Title 12, Banks and Banking.

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108-159 subject to joint regulations establishing effective dates as prescribed by Federal Reserve Board and Federal Trade Commission, except as otherwise provided, see section 3 of Pub. L. 108-159, set out as a note under section 1681 of Title 15, Commerce and Trade.

EFFECTIVE DATE OF 2001 AMENDMENT

Pub. L. 107-56, title III, § 312(b)(2), Oct. 26, 2001, 115 Stat. 306, provided that: “Section 5318(i) of title 31, United States Code, as added by this section, shall take effect 270 days after the date of enactment of this Act [Oct. 26, 2001], whether or not final regulations are issued under paragraph (1) [set out below], and the failure to issue such regulations shall in no way affect the enforceability of this section [amending this section and enacting provisions set out as a note below] or the amendments made by this section. Section 5318(i) of title 31, United States Code, as added by this section, shall apply with respect to accounts covered by that section 5318(i), that are opened before, on, or after the date of enactment of this Act.”

Pub. L. 107-56, title III, § 313(b), Oct. 26, 2001, 115 Stat. 307, provided that: “The amendment made by subsection (a) [amending this section] shall take effect at the end of the 60-day period beginning on the date of enactment of this Act [Oct. 26, 2001].”

Pub. L. 107-56, title III, § 352(b), Oct. 26, 2001, 115 Stat. 322, provided that: “The amendment made by subsection (a) [amending this section] shall take effect at the end of the 180-day period beginning on the date of enactment of this Act [Oct. 26, 2001].”

Amendment by section 358(b) of Pub. L. 107-56 applicable with respect to reports filed or records maintained on, before, or after Oct. 26, 2001, see section 358(h) of Pub. L. 107-56, set out as a note under section 1829b of Title 12, Banks and Banking.

EFFECTIVE DATE OF 1994 AMENDMENT

Section 330017(b)(1) of Pub. L. 103-322 and section 413(b)(1) of Pub. L. 103-325 provided that the identical amendments made by those sections are effective Oct. 28, 1992.

REGULATIONS

Pub. L. 107-56, title III, § 312(b)(1), Oct. 26, 2001, 115 Stat. 305, provided that: “Not later than 180 days after the date of enactment of this Act [Oct. 26, 2001], the Secretary [of the Treasury], in consultation with the appropriate Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act [15 U.S.C. 6809]) of the affected financial institutions, shall further delineate, by regulation, the due diligence policies, procedures, and controls required under section 5318(i)(1) of title 31, United States Code, as added by this section.”

Pub. L. 107-56, title III, § 352(c), Oct. 26, 2001, 115 Stat. 322, provided that: “Before the end of the 180-day period beginning on the date of enactment of this Act [Oct. 26, 2001], the Secretary [of the Treasury] shall prescribe regulations that consider the extent to which the requirements imposed under this section [amending this section and enacting provisions set out as a note above] are commensurate with the size, location, and activities of the financial institutions to which such regulations apply.”

GRACE PERIOD

Pub. L. 107-56, title III, §319(c), Oct. 26, 2001, 115 Stat. 314, provided that: “Financial institutions shall have 60 days from the date of enactment of this Act [Oct. 26, 2001] to comply with the provisions of section 5318(k) of title 31, United States Code, as added by this section.”

“FEDERAL FUNCTIONAL REGULATOR” INCLUDES
COMMODITY FUTURES TRADING COMMISSION

Pub. L. 107-56, title III, §321(c), Oct. 26, 2001, 115 Stat. 315, provided that: “For purposes of this Act [probably should be ‘title’], see Short Title of 2001 Amendment note set out under section 5301 of this title] and any amendment made by this Act to any other provision of law, the term ‘Federal functional regulator’ includes the Commodity Futures Trading Commission.”

REPORTING OF SUSPICIOUS ACTIVITIES BY SECURITIES
BROKERS AND DEALERS; INVESTMENT COMPANY STUDY

Pub. L. 107-56, title III, §356(a), (b), Oct. 26, 2001, 115 Stat. 324, provided that:

“(a) DEADLINE FOR SUSPICIOUS ACTIVITY REPORTING REQUIREMENTS FOR REGISTERED BROKERS AND DEALERS.—The Secretary [of the Treasury], after consultation with the Securities and Exchange Commission and the Board of Governors of the Federal Reserve System, shall publish proposed regulations in the Federal Register before January 1, 2002, requiring brokers and dealers registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 [15 U.S.C. 78a et seq.] to submit suspicious activity reports under section 5318(g) of title 31, United States Code. Such regulations shall be published in final form not later than July 1, 2002.

“(b) SUSPICIOUS ACTIVITY REPORTING REQUIREMENTS FOR FUTURES COMMISSION MERCHANTS, COMMODITY TRADING ADVISORS, AND COMMODITY POOL OPERATORS.—The Secretary, in consultation with the Commodity Futures Trading Commission, may prescribe regulations requiring futures commission merchants, commodity trading advisors, and commodity pool operators registered under the Commodity Exchange Act [7 U.S.C. 1 et seq.] to submit suspicious activity reports under section 5318(g) of title 31, United States Code.”

REPORTS

Section 403(b) of Pub. L. 103-325 provided that:

“(1) REPORTS REQUIRED.—The Secretary of the Treasury shall submit an annual report to the Congress at the times required under paragraph (2) on the number of suspicious transactions reported to the officer or agency designated under section 5318(g)(4)(A) of title 31, United States Code, during the period covered by the report and the disposition of such reports.

“(2) TIME FOR SUBMITTING REPORTS.—The 1st report required under paragraph (1) shall be filed before the end of the 1-year period beginning on the date of enactment of the Money Laundering Suppression Act of 1994 [Sept. 23, 1994] and each subsequent report shall be filed within 90 days after the end of each of the 5 calendar years which begin after such date of enactment.”

DESIGNATION REQUIRED TO BE MADE EXPEDITIOUSLY

Section 403(c) of Pub. L. 103-325 provided that: “The initial designation of an officer or agency of the United States pursuant to the amendment made by subsection (a) [amending this section] shall be made before the end of the 180-day period beginning on the date of enactment of this Act [Sept. 23, 1994].”

IMPROVEMENT OF IDENTIFICATION OF MONEY
LAUNDERING SCHEMES

Section 404 of Pub. L. 103-325 provided that:

“(a) ENHANCED TRAINING, EXAMINATIONS, AND REFERRALS BY BANKING AGENCIES.—Before the end of the 6-month period beginning on the date of enactment of this Act [Sept. 23, 1994], each appropriate Federal banking agency shall, in consultation with the Secretary of

the Treasury and other appropriate law enforcement agencies—

“(1) review and enhance training and examination procedures to improve the identification of money laundering schemes involving depository institutions; and

“(2) review and enhance procedures for referring cases to any appropriate law enforcement agency.

“(b) IMPROVED REPORTING OF CRIMINAL SCHEMES BY LAW ENFORCEMENT AGENCIES.—The Secretary of the Treasury and each appropriate law enforcement agency shall provide, on a regular basis, information regarding money laundering schemes and activities involving depository institutions to each appropriate Federal banking agency in order to enhance each agency’s ability to examine for and identify money laundering activity.

“(c) REPORT TO CONGRESS.—The Financial Institutions Examination Council shall submit a report on the progress made in carrying out subsection (a) and the usefulness of information received pursuant to subsection (b) to the Congress by the end of the 1-year period beginning on the date of enactment of this Act.

“(d) DEFINITION.—For purposes of this section, the term ‘appropriate Federal banking agency’ has the same meaning as in section 3 of the Federal Deposit Insurance Act [12 U.S.C. 1813].”

§ 5318A. Special measures for jurisdictions, financial institutions, international transactions, or types of accounts of primary money laundering concern

(a) INTERNATIONAL COUNTER-MONEY LAUNDERING REQUIREMENTS.—

(1) IN GENERAL.—The Secretary of the Treasury may require domestic financial institutions and domestic financial agencies to take 1 or more of the special measures described in subsection (b) if the Secretary finds that reasonable grounds exist for concluding that a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts is of primary money laundering concern, in accordance with subsection (c).

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

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

(B) paragraphs (1) through (4) of subsection (b) may be imposed by regulation, order, or otherwise as permitted by law; and

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

(3) DURATION OF ORDERS; RULEMAKING.—Any order by which a special measure described in paragraphs (1) through (4) of subsection (b) is imposed (other than an order described in section 5326)—

(A) shall be issued together with a notice of proposed rulemaking relating to the imposition of such special measure; and

(B) may not remain in effect for more than 120 days, except pursuant to a rule promulgated on or before the end of the 120-day period beginning on the date of issuance of such order.

(4) PROCESS FOR SELECTING SPECIAL MEASURES.—In selecting which special measure or measures to take under this subsection, the Secretary of the Treasury—

(A) shall consult with the Chairman of the Board of Governors of the Federal Reserve System, any other appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act)¹ the Secretary of State, the Securities and Exchange Commission, the Commodity Futures Trading Commission, the National Credit Union Administration Board, and in the sole discretion of the Secretary, such other agencies and interested parties as the Secretary may find to be appropriate; and

(B) shall consider—

(i) whether similar action has been or is being taken by other nations or multilateral groups;

(ii) whether the imposition of any particular special measure would create a significant competitive disadvantage, including any undue cost or burden associated with compliance, for financial institutions organized or licensed in the United States;

(iii) the extent to which the action or the timing of the action would have a significant adverse systemic impact on the international payment, clearance, and settlement system, or on legitimate business activities involving the particular jurisdiction, institution, class of transactions, or type of account; and

(iv) the effect of the action on United States national security and foreign policy.

(5) NO LIMITATION ON OTHER AUTHORITY.—This section shall not be construed as superseding or otherwise restricting any other authority granted to the Secretary, or to any other agency, by this subchapter or otherwise.

(b) SPECIAL MEASURES.—The special measures referred to in subsection (a), with respect to a jurisdiction outside of the United States, financial institution operating outside of the United States, class of transaction within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts are as follows:

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

(A) IN GENERAL.—The Secretary of the Treasury may require any domestic financial institution or domestic financial agency to maintain records, file reports, or both, concerning the aggregate amount of transactions, or concerning each transaction, with respect to a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts if the Secretary finds any such jurisdiction, institution, class of transactions, or type of account to be of primary money laundering concern.

(B) FORM OF RECORDS AND REPORTS.—Such records and reports shall be made and retained at such time, in such manner, and for such period of time, as the Secretary shall determine, and shall include such informa-

tion as the Secretary may determine, including—

(i) the identity and address of the participants in a transaction or relationship, including the identity of the originator of any funds transfer;

(ii) the legal capacity in which a participant in any transaction is acting;

(iii) the identity of the beneficial owner of the funds involved in any transaction, in accordance with such procedures as the Secretary determines to be reasonable and practicable to obtain and retain the information; and

(iv) a description of any transaction.

(2) INFORMATION RELATING TO BENEFICIAL OWNERSHIP.—In addition to any other requirement under any other provision of law, the Secretary may require any domestic financial institution or domestic financial agency to take such steps as the Secretary may determine to be reasonable and practicable to obtain and retain information concerning the beneficial ownership of any account opened or maintained in the United States by a foreign person (other than a foreign entity whose shares are subject to public reporting requirements or are listed and traded on a regulated exchange or trading market), or a representative of such a foreign person, that involves a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts if the Secretary finds any such jurisdiction, institution, or transaction or type of account to be of primary money laundering concern.

(3) INFORMATION RELATING TO CERTAIN PAYABLE-THROUGH ACCOUNTS.—If the Secretary finds a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary may require any domestic financial institution or domestic financial agency that opens or maintains a payable-through account in the United States for a foreign financial institution involving any such jurisdiction or any such financial institution operating outside of the United States, or a payable through account through which any such transaction may be conducted, as a condition of opening or maintaining such account—

(A) to identify each customer (and representative of such customer) of such financial institution who is permitted to use, or whose transactions are routed through, such payable-through account; and

(B) to obtain, with respect to each such customer (and each such representative), information that is substantially comparable to that which the depository institution obtains in the ordinary course of business with respect to its customers residing in the United States.

(4) INFORMATION RELATING TO CERTAIN CORRESPONDENT ACCOUNTS.—If the Secretary finds

¹ So in original. Probably should be followed by a comma.

a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary may require any domestic financial institution or domestic financial agency that opens or maintains a correspondent account in the United States for a foreign financial institution involving any such jurisdiction or any such financial institution operating outside of the United States, or a correspondent account through which any such transaction may be conducted, as a condition of opening or maintaining such account—

(A) to identify each customer (and representative of such customer) of any such financial institution who is permitted to use, or whose transactions are routed through, such correspondent account; and

(B) to obtain, with respect to each such customer (and each such representative), information that is substantially comparable to that which the depository institution obtains in the ordinary course of business with respect to its customers residing in the United States.

(5) PROHIBITIONS OR CONDITIONS ON OPENING OR MAINTAINING CERTAIN CORRESPONDENT OR PAYABLE-THROUGH ACCOUNTS.—If the Secretary finds a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary, in consultation with the Secretary of State, the Attorney General, and the Chairman of the Board of Governors of the Federal Reserve System, may prohibit, or impose conditions upon, the opening or maintaining in the United States of a correspondent account or payable-through account by any domestic financial institution or domestic financial agency for or on behalf of a foreign banking institution, if such correspondent account or payable-through account involves any such jurisdiction or institution, or if any such transaction may be conducted through such correspondent account or payable-through account.

(c) CONSULTATIONS AND INFORMATION TO BE CONSIDERED IN FINDING JURISDICTIONS, INSTITUTIONS, TYPES OF ACCOUNTS, OR TRANSACTIONS TO BE OF PRIMARY MONEY LAUNDERING CONCERN.—

(1) IN GENERAL.—In making a finding that reasonable grounds exist for concluding that a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts is of primary money laundering concern so as to authorize the Secretary of the Treasury to take 1 or more of the special measures described in subsection (b), the Secretary shall consult with the Secretary of State and the Attorney General.

(2) ADDITIONAL CONSIDERATIONS.—In making a finding described in paragraph (1), the Sec-

retary shall consider in addition such information as the Secretary determines to be relevant, including the following potentially relevant factors:

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

(i) evidence that organized criminal groups, international terrorists, or entities involved in the proliferation of weapons of mass destruction or missiles have transacted business in that jurisdiction;

(ii) the extent to which that jurisdiction or financial institutions operating in that jurisdiction offer bank secrecy or special regulatory advantages to nonresidents or nondomiciliaries of that jurisdiction;

(iii) the substance and quality of administration of the bank supervisory and counter-money laundering laws of that jurisdiction;

(iv) the relationship between the volume of financial transactions occurring in that jurisdiction and the size of the economy of the jurisdiction;

(v) the extent to which that jurisdiction is characterized as an offshore banking or secrecy haven by credible international organizations or multilateral expert groups;

(vi) whether the United States has a mutual legal assistance treaty with that jurisdiction, and the experience of United States law enforcement officials and regulatory officials in obtaining information about transactions originating in or routed through or to such jurisdiction; and

(vii) the extent to which that jurisdiction is characterized by high levels of official or institutional corruption.

(B) INSTITUTIONAL FACTORS.—In the case of a decision to apply 1 or more of the special measures described in subsection (b) only to a financial institution or institutions, or to a transaction or class of transactions, or to a type of account, or to all 3, within or involving a particular jurisdiction—

(i) the extent to which such financial institutions, transactions, or types of accounts are used to facilitate or promote money laundering in or through the jurisdiction, including any money laundering activity by organized criminal groups, international terrorists, or entities involved in the proliferation of weapons of mass destruction or missiles;

(ii) the extent to which such institutions, transactions, or types of accounts are used for legitimate business purposes in the jurisdiction; and

(iii) the extent to which such action is sufficient to ensure, with respect to transactions involving the jurisdiction and institutions operating in the jurisdiction, that the purposes of this subchapter continue to be fulfilled, and to guard against international money laundering and other financial crimes.

(d) NOTIFICATION OF SPECIAL MEASURES INVOKED BY THE SECRETARY.—Not later than 10 days after the date of any action taken by the Secretary of the Treasury under subsection

(a)(1), the Secretary shall notify, in writing, the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate of any such action.

(e) DEFINITIONS.—Notwithstanding any other provision of this subchapter, for purposes of this section and subsections (i) and (j) of section 5318, the following definitions shall apply:

(1) BANK DEFINITIONS.—The following definitions shall apply with respect to a bank:

(A) ACCOUNT.—The term “account”—

(i) means a formal banking or business relationship established to provide regular services, dealings, and other financial transactions; and

(ii) includes a demand deposit, savings deposit, or other transaction or asset account and a credit account or other extension of credit.

(B) CORRESPONDENT ACCOUNT.—The term “correspondent account” means an account established to receive deposits from, make payments on behalf of a foreign financial institution, or handle other financial transactions related to such institution.

(C) PAYABLE-THROUGH ACCOUNT.—The term “payable-through account” means an account, including a transaction account (as defined in section 19(b)(1)(C) of the Federal Reserve Act), opened at a depository institution by a foreign financial institution by means of which the foreign financial institution permits its customers to engage, either directly or through a subaccount, in banking activities usual in connection with the business of banking in the United States.

(2) DEFINITIONS APPLICABLE TO INSTITUTIONS OTHER THAN BANKS.—With respect to any financial institution other than a bank, the Secretary shall, after consultation with the appropriate Federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act), define by regulation the term “account”, and shall include within the meaning of that term, to the extent, if any, that the Secretary deems appropriate, arrangements similar to payable-through and correspondent accounts.

(3) REGULATORY DEFINITION OF BENEFICIAL OWNERSHIP.—The Secretary shall promulgate regulations defining beneficial ownership of an account for purposes of this section and subsections (i) and (j) of section 5318. Such regulations shall address issues related to an individual’s authority to fund, direct, or manage the account (including, without limitation, the power to direct payments into or out of the account), and an individual’s material interest in the income or corpus of the account, and shall ensure that the identification of individuals under this section or subsection (i) or (j) of section 5318 does not extend to any individual whose beneficial interest in the income or corpus of the account is immaterial.

(4) OTHER TERMS.—The Secretary may, by regulation, further define the terms in paragraphs (1), (2), and (3), and define other terms for the purposes of this section, as the Secretary deems appropriate.

(f) CLASSIFIED INFORMATION.—In any judicial review of a finding of the existence of a primary

money laundering concern, or of the requirement for 1 or more special measures with respect to a primary money laundering concern, made under this section, if the designation or imposition, or both, were based on classified information (as defined in section 1(a) of the Classified Information Procedures Act (18 U.S.C. App.),² such information may be submitted by the Secretary to the reviewing court *ex parte* and *in camera*. This subsection does not confer or imply any right to judicial review of any finding made or any requirement imposed under this section.

(Added Pub. L. 107–56, title III, §311(a), Oct. 26, 2001, 115 Stat. 298; amended Pub. L. 108–177, title III, §376, Dec. 13, 2003, 117 Stat. 2630; Pub. L. 108–458, title VI, §6203(e), (f), Dec. 17, 2004, 118 Stat. 3747; Pub. L. 109–293, title V, §501, Sept. 30, 2006, 120 Stat. 1350.)

REFERENCES IN TEXT

Section 3 of the Federal Deposit Insurance Act, referred to in subsec. (a)(4)(A), is classified to section 1813 of Title 12, Banks and Banking.

Section 19(b)(1)(C) of the Federal Reserve Act, referred to in subsec. (e)(1)(C), is classified to section 461(b)(1)(C) of Title 12, Banks and Banking.

Section 509 of the Gramm-Leach-Bliley Act, referred to in subsec. (e)(2), is classified to section 6809 of Title 15, Commerce and Trade.

Section 1(a) of the Classified Information Procedures Act, referred to in subsec. (f), is section 1(a) of Pub. L. 96–456, which is set out in the Appendix to Title 18, Crimes and Criminal Procedure.

AMENDMENTS

2006—Subsec. (c)(2)(A)(i). Pub. L. 109–293, §501(1), substituted “or entities involved in the proliferation of weapons of mass destruction or missiles” for “or both.”

Subsec. (c)(2)(B)(i). Pub. L. 109–293, §501(2), inserted “, including any money laundering activity by organized criminal groups, international terrorists, or entities involved in the proliferation of weapons of mass destruction or missiles” before semicolon at end.

2004—Pub. L. 108–458, §6203(e), amended section catchline generally. Prior to amendment, catchline read as follows: “Special measures for jurisdictions, financial institutions, or international transactions of primary money laundering concern”.

Subsec. (a)(4)(A). Pub. L. 108–458, §6203(f)(1), substituted “(as defined in section 3 of the Federal Deposit Insurance Act)” for “, as defined in section 3 of the Federal Deposit Insurance Act.”

Subsec. (a)(4)(B)(iii). Pub. L. 108–458, §6203(f)(2), substituted “class of transactions, or type of account” for “or class of transactions”.

Subsec. (b)(1)(A). Pub. L. 108–458, §6203(f)(3), substituted “class of transactions, or type of account to be” for “or class of transactions to be”.

Subsec. (e)(3). Pub. L. 108–458, §6203(f)(4), inserted “or subsection (i) or (j) of section 5318” after “identification of individuals under this section”.

2003—Subsec. (f). Pub. L. 108–177 added subsec. (f).

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108–458 effective as if included in Pub. L. 107–56, as of the date of enactment of such Act, and no amendment made by Pub. L. 107–56 that is inconsistent with such amendment to be deemed to have taken effect, see section 6205 of Pub. L. 108–458, set out as a note under section 1828 of Title 12, Banks and Banking.

²So in original. A second closing parenthesis probably should precede the comma.

“FEDERAL FUNCTIONAL REGULATOR” INCLUDES
COMMODITY FUTURES TRADING COMMISSION

For purposes of Pub. L. 107-56 and any amendment by Pub. L. 107-56, the term “Federal functional regulator” includes the Commodity Futures Trading Commission, see section 321(c) of Pub. L. 107-56, set out as a note under section 5318 of this title.

§ 5319. Availability of reports

The Secretary of the Treasury shall make information in a report filed under this subchapter available to an agency, including any State financial institutions supervisory agency, United States intelligence agency or self-regulatory organization registered with the Securities and Exchange Commission or the Commodity Futures Trading Commission, upon request of the head of the agency or organization. The report shall be available for a purpose that is consistent with this subchapter. The Secretary may only require reports on the use of such information by any State financial institutions supervisory agency for other than supervisory purposes or by United States intelligence agencies. However, a report and records of reports are exempt from disclosure under section 552 of title 5, and may not be disclosed under any State, local, tribal, or territorial “freedom of information”, “open government”, or similar law.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 999; Pub. L. 102-550, title XV, §1506, Oct. 28, 1992, 106 Stat. 4055; Pub. L. 107-56, title III, §358(c), Oct. 26, 2001, 115 Stat. 326; Pub. L. 112-74, div. C, title I, §119, Dec. 23, 2011, 125 Stat. 891.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5319	31:1052(j). 31:1061.	Oct. 26, 1970, Pub. L. 91-508, §§203(j), 212, 84 Stat. 1120, 1121.

The words “upon such conditions and pursuant to such procedures as he may by regulation prescribe” and “set forth” in 31:1061, and the word “specifically” in 31:1052(j), are omitted as surplus.

AMENDMENTS

2011—Pub. L. 112-74 inserted “, and may not be disclosed under any State, local, tribal, or territorial ‘freedom of information’, ‘open government’, or similar law” after “section 552 of title 5”.

2001—Pub. L. 107-56 reenacted section catchline without change and amended text generally. Prior to amendment, text read as follows: “The Secretary of the Treasury shall make information in a report filed under section 5313, 5314, or 5316 of this title available to an agency, including any State financial institutions supervisory agency, on request of the head of the agency. The report shall be available for a purpose consistent with those sections or a regulation prescribed under those sections. The Secretary may only require reports on the use of such information by any State financial institutions supervisory agency for other than supervisory purposes. However, a report and records of reports are exempt from disclosure under section 552 of title 5.”

1992—Pub. L. 102-550 substituted “to an agency, including any State financial institutions supervisory agency,” for “to an agency” in first sentence and inserted after second sentence “The Secretary may only require reports on the use of such information by any State financial institutions supervisory agency for other than supervisory purposes.”

EFFECTIVE DATE OF 2001 AMENDMENT

Amendment by Pub. L. 107-56 applicable with respect to reports filed or records maintained on, before, or after Oct. 26, 2001, see section 358(h) of Pub. L. 107-56, set out as a note under section 1829b of Title 12, Banks and Banking.

§ 5320. Injunctions

When the Secretary of the Treasury believes a person has violated, is violating, or will violate this subchapter or a regulation prescribed or order issued under this subchapter, the Secretary may bring a civil action in the appropriate district court of the United States or appropriate United States court of a territory or possession of the United States to enjoin the violation or to enforce compliance with the subchapter, regulation, or order. An injunction or temporary restraining order shall be issued without bond.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 999.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5320	31:1057. 31:1143(b)(words before last comma).	Oct. 26, 1970, Pub. L. 91-508, §208, 84 Stat. 1120. Sept. 21, 1973, Pub. L. 93-110, §203(b)(words before last comma), 87 Stat. 353.

The words “has violated, is violating, or will violate this subchapter” are substituted for “has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of the provisions of this chapter” in 31:1057 and “failed to submit a report required under any rule or regulation issued under this subchapter or has violated any rule or regulation issued hereunder” in 31:1143(b)(words before last comma) to eliminate unnecessary words. The words “or a regulation prescribed” are added because of the restatement. The words “in his discretion” are omitted as surplus. The word “civil” is added because of rule 2 of the Federal Rules of Civil Procedure (28 App. U.S.C.). The word “possession” is substituted for “other place subject to the jurisdiction” for consistency in the revised title and with other titles of the United States Code. The words “or to enforce compliance with the subchapter, regulation, or order” are substituted for 31:1057(last sentence) and the words “a mandatory injunction commanding such person to comply with such rule or regulation” in 31:1143(b)(words before last comma) to eliminate unnecessary words. The words “and upon a proper showing . . . permanent or” are omitted as surplus.

§ 5321. Civil penalties

(a)(1) A domestic financial institution or non-financial trade or business, and a partner, director, officer, or employee of a domestic financial institution or nonfinancial trade or business, willfully violating this subchapter or a regulation prescribed or order issued under this subchapter (except sections 5314 and 5315 of this title or a regulation prescribed under sections 5314 and 5315), or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508, is liable to the United States Government for a civil penalty of not more than the greater of the amount (not to exceed \$100,000) involved in the transaction (if any) or \$25,000. For a violation of section 5318(a)(2) of this title or a regulation prescribed under section 5318(a)(2), a separate violation occurs for each day the violation

continues and at each office, branch, or place of business at which a violation occurs or continues.

(2) The Secretary of the Treasury may impose an additional civil penalty on a person not filing a report, or filing a report containing a material omission or misstatement, under section 5316 of this title or a regulation prescribed under section 5316. A civil penalty under this paragraph may not be more than the amount of the monetary instrument for which the report was required. A civil penalty under this paragraph is reduced by an amount forfeited under section 5317(b) of this title.

(3) A person not filing a report under a regulation prescribed under section 5315 of this title or not complying with an injunction under section 5320 of this title enjoining a violation of, or enforcing compliance with, section 5315 or a regulation prescribed under section 5315, is liable to the Government for a civil penalty of not more than \$10,000.

(4) STRUCTURED TRANSACTION VIOLATION.—

(A) PENALTY AUTHORIZED.—The Secretary of the Treasury may impose a civil money penalty on any person who violates any provision of section 5324.

(B) MAXIMUM AMOUNT LIMITATION.—The amount of any civil money penalty imposed under subparagraph (A) shall not exceed the amount of the coins and currency (or such other monetary instruments as the Secretary may prescribe) involved in the transaction with respect to which such penalty is imposed.

(C) COORDINATION WITH FORFEITURE PROVISION.—The amount of any civil money penalty imposed by the Secretary under subparagraph (A) shall be reduced by the amount of any forfeiture to the United States in connection with the transaction with respect to which such penalty is imposed.

(5) FOREIGN FINANCIAL AGENCY TRANSACTION VIOLATION.—

(A) PENALTY AUTHORIZED.—The Secretary of the Treasury may impose a civil money penalty on any person who violates, or causes any violation of, any provision of section 5314.

(B) AMOUNT OF PENALTY.—

(i) IN GENERAL.—Except as provided in subparagraph (C), the amount of any civil penalty imposed under subparagraph (A) shall not exceed \$10,000.

(ii) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under subparagraph (A) with respect to any violation if—

(I) such violation was due to reasonable cause, and

(II) the amount of the transaction or the balance in the account at the time of the transaction was properly reported.

(C) WILLFUL VIOLATIONS.—In the case of any person willfully violating, or willfully causing any violation of, any provision of section 5314—

(i) the maximum penalty under subparagraph (B)(i) shall be increased to the greater of—

(I) \$100,000, or

(II) 50 percent of the amount determined under subparagraph (D), and

(ii) subparagraph (B)(ii) shall not apply.

(D) AMOUNT.—The amount determined under this subparagraph is—

(i) in the case of a violation involving a transaction, the amount of the transaction, or

(ii) in the case of a violation involving a failure to report the existence of an account or any identifying information required to be provided with respect to an account, the balance in the account at the time of the violation.

(6) NEGLIGENCE.—

(A) IN GENERAL.—The Secretary of the Treasury may impose a civil money penalty of not more than \$500 on any financial institution or nonfinancial trade or business which negligently violates any provision of this subchapter or any regulation prescribed under this subchapter.

(B) PATTERN OF NEGLIGENT ACTIVITY.—If any financial institution or nonfinancial trade or business engages in a pattern of negligent violations of any provision of this subchapter or any regulation prescribed under this subchapter, the Secretary of the Treasury may, in addition to any penalty imposed under subparagraph (A) with respect to any such violation, impose a civil money penalty of not more than \$50,000 on the financial institution or nonfinancial trade or business.

(7) PENALTIES FOR INTERNATIONAL COUNTER MONEY LAUNDERING VIOLATIONS.—The Secretary may impose a civil money penalty in an amount equal to not less than 2 times the amount of the transaction, but not more than \$1,000,000, on any financial institution or agency that violates any provision of subsection (i) or (j) of section 5318 or any special measures imposed under section 5318A.

(b) TIME LIMITATIONS FOR ASSESSMENTS AND COMMENCEMENT OF CIVIL ACTIONS.—

(1) ASSESSMENTS.—The Secretary of the Treasury may assess a civil penalty under subsection (a) at any time before the end of the 6-year period beginning on the date of the transaction with respect to which the penalty is assessed.

(2) CIVIL ACTIONS.—The Secretary may commence a civil action to recover a civil penalty assessed under subsection (a) at any time before the end of the 2-year period beginning on the later of—

(A) the date the penalty was assessed; or

(B) the date any judgment becomes final in any criminal action under section 5322 in connection with the same transaction with respect to which the penalty is assessed.

(c) The Secretary may remit any part of a forfeiture under subsection (c) or (d)¹ of section 5317 of this title or civil penalty under subsection (a)(2) of this section.

(d) CRIMINAL PENALTY NOT EXCLUSIVE OF CIVIL PENALTY.—A civil money penalty may be imposed under subsection (a) with respect to any violation of this subchapter notwithstanding the fact that a criminal penalty is imposed with respect to the same violation.

¹ So in original. Section 5317 does not contain a subsec. (d).

(e) DELEGATION OF ASSESSMENT AUTHORITY TO BANKING AGENCIES.—

(1) IN GENERAL.—The Secretary of the Treasury shall delegate, in accordance with section 5318(a)(1) and subject to such terms and conditions as the Secretary may impose in accordance with paragraph (3), any authority of the Secretary to assess a civil money penalty under this section on depository institutions (as defined in section 3 of the Federal Deposit Insurance Act) to the appropriate Federal banking agencies (as defined in such section 3).

(2) AUTHORITY OF AGENCIES.—Subject to any term or condition imposed by the Secretary of the Treasury under paragraph (3), the provisions of this section shall apply to an appropriate Federal banking agency to which is delegated any authority of the Secretary under this section in the same manner such provisions apply to the Secretary.

(3) TERMS AND CONDITIONS.—

(A) IN GENERAL.—The Secretary of the Treasury shall prescribe by regulation the terms and conditions which shall apply to any delegation under paragraph (1).

(B) MAXIMUM DOLLAR AMOUNT.—The terms and conditions authorized under subparagraph (A) may include, in the Secretary's sole discretion, a limitation on the amount of any civil penalty which may be assessed by an appropriate Federal banking agency pursuant to a delegation under paragraph (1).

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 999; Pub. L. 98-473, title II, §901(a), Oct. 12, 1984, 98 Stat. 2135; Pub. L. 99-570, title I, §§1356(c)(1), 1357(a)-(f), (h), Oct. 27, 1986, 100 Stat. 3207-24—3207-26; Pub. L. 100-690, title VI, §6185(g)(2), Nov. 18, 1988, 102 Stat. 4357; Pub. L. 102-550, title XV, §§1511(b), 1525(b), 1535(a)(2), 1561(a), Oct. 28, 1992, 106 Stat. 4057, 4065, 4066, 4071; Pub. L. 103-322, title XXXIII, §330017(a)(1), Sept. 13, 1994, 108 Stat. 2149; Pub. L. 103-325, title IV, §§406, 411(b), 413(a)(1), Sept. 23, 1994, 108 Stat. 2247, 2253, 2254; Pub. L. 104-208, div. A, title II, §2223(3), Sept. 30, 1996, 110 Stat. 3009-415; Pub. L. 107-56, title III, §§353(a), 363(a), 365(c)(2)(B)(i), Oct. 26, 2001, 115 Stat. 322, 332, 335; Pub. L. 108-357, title VIII, §821(a), Oct. 22, 2004, 118 Stat. 1586.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5321(a)(1)	31:1054(b)(last sentence related to civil penalties).	Oct. 26, 1970, Pub. L. 91-508, §§205(b)(last sentence related to civil penalties), 207, 233, 234, 84 Stat. 1120, 1123.
5321(a)(2)	31:1056(a).	
5321(a)(3)	31:1103.	
5321(b)	31:1143(a), (b)(words after last comma).	Sept. 21, 1973, Pub. L. 93-110, §203(a), (b)(words after last comma), 87 Stat. 353.
5321(c)	31:1056(b).	
	31:1104.	

In subsection (a)(1), the words “or a regulation prescribed under this subchapter” are added because of the restatement. The words “(except section 5315 of this title or a regulation prescribed under section 5315)” are added because 31:1141-1143 was not enacted as a part of the Currency and Foreign Transactions Reporting Act that is restated in this subchapter. The words “is liable to the United States Government for” are substituted for “the Secretary may assess upon” in 31:1056(a) for

consistency in the revised title and with other titles of the United States Code. The words “the purposes of both civil and criminal penalties for” in 31:1054(b)(last sentence)(related to civil penalties) are omitted, and the words “or a regulation prescribed under section 5318(2)” are added, because of the restatement. The words “the violation continues” are added for consistency in the revised title and with other titles of the Code. The word “separate” before “office” is omitted as surplus.

In subsection (a)(2), the word “impose” is substituted for “assess” for consistency in the revised title and with other titles of the Code. The word “additional” is substituted for 31:1103 (last sentence words before last comma) to eliminate unnecessary words. The words “or a regulation prescribed under section 5316” are added because of the restatement. The words “amount of this”, “to be filed”, and “actually” are omitted as surplus.

Subsection (a)(3) is substituted for 31:1143(a) and (b)(words after last comma) for clarity and consistency and because of the restatement.

In subsection (b), the words “in the discretion of”, “in the name of the United States”, and “of any person” are omitted as surplus.

In subsection (c), the words “in his discretion” and “upon such terms and conditions as he deems reasonable and just” are omitted as surplus. The word “civil” is added for clarity.

REFERENCES IN TEXT

Sections 3 and 21 of the Federal Deposit Insurance Act, referred to in subsecs. (a)(1) and (e)(1), are classified to sections 1813 and 1829b, respectively, of Title 12, Banks and Banking.

Section 123 of Public Law 91-508, referred to in subsec. (a)(1), is classified to section 1953 of Title 12, Banks and Banking.

AMENDMENTS

2004—Subsec. (a)(5). Pub. L. 108-357 amended heading and text of par. (5) generally, inserting provisions changing the penalties for violating section 5314 of this title and providing a reasonable cause exception.

2001—Subsec. (a)(1). Pub. L. 107-56, §§353(a), 365(c)(2)(B)(i), inserted “or nonfinancial trade or business” after “financial institution” in two places, “or order issued” after “subchapter or a regulation prescribed”, and “, or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508,” after “sections 5314 and 5315”.

Subsec. (a)(6). Pub. L. 107-56, §365(c)(2)(B)(i), inserted “or nonfinancial trade or business” after “financial institution” wherever appearing.

Subsec. (a)(7). Pub. L. 107-56, §363(a), added par. (7).

1996—Subsec. (a)(7). Pub. L. 104-208 struck out par. (7) which read as follows:

“(7) FINANCIAL INSTITUTION IDENTIFICATION VIOLATIONS.—

“(A) PENALTY AUTHORIZED.—The Secretary may impose a civil money penalty on any person who willfully violates any provision of section 5327 or any regulation prescribed under such section.

“(B) MAXIMUM AMOUNT LIMITATION.—The amount of any civil money penalty imposed under subparagraph (A) shall not exceed \$10,000 per day for each day during which a report remains unfiled or a report containing a material omission or misstatement of fact remains uncorrected.”

1994—Subsec. (a)(4)(A). Pub. L. 103-325, §411(b), struck out “willfully” before “violates”.

Subsec. (a)(5)(A). Pub. L. 103-322, §330017(a)(1) and Pub. L. 103-325, §413(a)(1), amended subpar. (A) identically, inserting “any violation of” after “causing”.

Subsec. (e). Pub. L. 103-325, §406, added subsec. (e).

1992—Subsec. (a)(4)(C). Pub. L. 102-550, §1525(b), struck out “under section 5317(d)” after “forfeiture to the United States”.

Subsec. (a)(5)(A). Pub. L. 102-550, §1535(a)(2), inserted “or any person willfully causing” after “willfully violates”.

Subsec. (a)(6). Pub. L. 102-550, §1561(a), amended par. (6) generally. Prior to amendment, par. (6) read as follows: “NEGLIGENCE.—The Secretary of the Treasury may impose a civil money penalty of not more than \$500 on any financial institution which negligently violates any provision of this subchapter or any regulation prescribed under this subchapter.”

Subsec. (a)(7). Pub. L. 102-550, §1511(b), added par. (7). 1988—Subsec. (a)(1). Pub. L. 100-690 inserted “(if any)” after “transaction”.

1986—Subsec. (a)(1). Pub. L. 99-570, §§1356(c)(1), 1357(b), substituted “sections 5314 and 5315” for “section 5315” in two places, substituted “5318(a)(2)” for “5318(2)” in two places, and substituted “the greater of the amount (not to exceed \$100,000) involved in the transaction or \$25,000” for “\$10,000”.

Subsec. (a)(4). Pub. L. 99-570, §1357(a), added par. (4).

Subsec. (a)(5). Pub. L. 99-570, §1357(c), added par. (5).

Subsec. (a)(6). Pub. L. 99-570, §1357(d), added par. (6).

Subsec. (b). Pub. L. 99-570, §1357(e), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “The Secretary may bring a civil action to recover a civil penalty under subsection (a)(1) or (2) of this section that has not been paid.”

Subsec. (c). Pub. L. 99-570, §1357(h), substituted “subsection (c) or (d) of section 5317” for “section 5317(b)”.

Subsec. (d). Pub. L. 99-570, §1357(f), added subsec. (d). 1984—Subsec. (a)(1). Pub. L. 98-473 substituted “\$10,000” for “\$1,000”.

EFFECTIVE DATE OF 2004 AMENDMENT

Pub. L. 108-357, title VIII, §821(b), Oct. 22, 2004, 118 Stat. 1586, provided that: “The amendment made by this section [amending this section] shall apply to violations occurring after the date of the enactment of this Act [Oct. 22, 2004].”

EFFECTIVE DATE OF 1992 AMENDMENT

Section 1561(b) of Pub. L. 102-550 provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to violations committed after the date of the enactment of this Act [Oct. 28, 1992].”

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by section 1357(a) of Pub. L. 99-570, applicable with respect to violations committed after the end of the 3-month period beginning Oct. 27, 1986, see section 1364(b) of Pub. L. 99-570, set out as a note under section 5317 of this title.

Section 1364(c) of Pub. L. 99-570 provided that: “The amendments made by section 1357 (other than subsection (a) of such section) [amending sections 5321 and 5322 of this title] shall apply with respect to violations committed after the date of the enactment of this Act [Oct. 27, 1986].”

§ 5322. Criminal penalties

(a) A person willfully violating this subchapter or a regulation prescribed or order issued under this subchapter (except section 5315 or 5324 of this title or a regulation prescribed under section 5315 or 5324), or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508, shall be fined not more than \$250,000, or imprisoned for not more than five years, or both.

(b) A person willfully violating this subchapter or a regulation prescribed or order issued under this subchapter (except section 5315 or 5324 of this title or a regulation prescribed under section 5315 or 5324), or willfully violating a regulation prescribed under section 21 of the

Federal Deposit Insurance Act or section 123 of Public Law 91-508, while violating another law of the United States or as part of a pattern of any illegal activity involving more than \$100,000 in a 12-month period, shall be fined not more than \$500,000, imprisoned for not more than 10 years, or both.

(c) For a violation of section 5318(a)(2) of this title or a regulation prescribed under section 5318(a)(2), a separate violation occurs for each day the violation continues and at each office, branch, or place of business at which a violation occurs or continues.

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

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1000; Pub. L. 98-473, title II, §901(b), Oct. 12, 1984, 98 Stat. 2135; Pub. L. 99-570, title I, §§1356(c)(1), 1357(g), Oct. 27, 1986, 100 Stat. 3207-24, 3207-26; Pub. L. 102-550, title XV, §1504(d)(2), Oct. 28, 1992, 106 Stat. 4055; Pub. L. 103-325, title IV, §411(c)(1), Sept. 23, 1994, 108 Stat. 2253; Pub. L. 107-56, title III, §§353(b), 363(b), Oct. 26, 2001, 115 Stat. 323, 332.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
5322(a)	31:1058.	Oct. 26, 1970, Pub. L. 91-508, §§205(b)(last sentence related to criminal penalties), 209, 210, 84 Stat. 1120, 1121.
5322(b)	31:1059.	
5322(c)	31:1054(b)(last sentence related to criminal penalties).	

In subsections (a) and (b), the words “(except section 5315 of this title or a regulation prescribed under section 5315)” are added because 31:1141-1143 was not enacted as part of the Currency and Foreign Transactions Reporting Act that is restated in the subchapter.

In subsection (a), the word “prescribed” is added for consistency.

In subsection (b), the words “or a regulation prescribed under this subchapter” are added because of the restatement. The words “committed” and “the commission of” are omitted as surplus. The words “United States” are substituted for “Federal” for consistency in the revised title and with other titles of the United States Code.

In subsection (c), the words “the purposes of both civil and criminal penalties for” are omitted because of the restatement. The word “separate” before “office” is omitted as surplus.

REFERENCES IN TEXT

Section 21 of the Federal Deposit Insurance Act, referred to in subsecs. (a) and (b), is classified to section 1829b of Title 12, Banks and Banking.

Section 123 of Public Law 91-508, referred to in subsecs. (a) and (b), is classified to section 1953 of Title 12, Banks and Banking.

AMENDMENTS

2001—Subsec. (a). Pub. L. 107-56, §353(b)(1), inserted “or order issued” after “willfully violating this subchapter or a regulation prescribed” and “, or willfully violating a regulation prescribed under section 21 of the

Federal Deposit Insurance Act or section 123 of Public Law 91-508," after "under section 5315 or 5324)".

Subsec. (b). Pub. L. 107-56, §353(b)(2), inserted "or order issued" after "willfully violating this subchapter or a regulation prescribed" and "or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508," after "under section 5315 or 5324)."

Subsec. (d). Pub. L. 107-56, §363(b), added subsec. (d). 1994—Subsecs. (a), (b). Pub. L. 103-325 inserted "or 5324" after "section 5315" wherever appearing.

1992—Subsec. (a). Pub. L. 102-550 substituted "imprisoned for" for "imprisonment".

1986—Subsec. (b). Pub. L. 99-570, §1357(g), substituted "any illegal activity involving" for "illegal activity involving transactions of" and "10 years" for "5 years".

Subsec. (c). Pub. L. 99-570, §1356(c)(1), substituted "5318(a)(2)" for "5318(2)" in two places.

1984—Subsec. (a). Pub. L. 98-473, which directed the substitution of "\$250,000, or imprisonment not more than five years, or both" for "\$1,000, or imprisonment not more than one year, or both", was executed by substituting the quoted wording for "\$1,000, imprisoned for not more than one year, or both" to reflect the probable intent of Congress.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by section 1357(g) of Pub. L. 99-570 applicable with respect to violations committed after Oct. 27, 1986, see section 1364(c) of Pub. L. 99-570, set out as a note under section 5321 of this title.

§ 5323. Rewards for informants

(a) The Secretary may pay a reward to an individual who provides original information which leads to a recovery of a criminal fine, civil penalty, or forfeiture, which exceeds \$50,000, for a violation of this chapter.

(b) The Secretary shall determine the amount of a reward under this section. The Secretary may not award more than 25 per centum of the net amount of the fine, penalty, or forfeiture collected or \$150,000, whichever is less.

(c) An officer or employee of the United States, a State, or a local government who provides information described in subsection (a) in the performance of official duties is not eligible for a reward under this section.

(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

(Added Pub. L. 98-473, title II, §901(e), Oct. 12, 1984, 98 Stat. 2135.)

§ 5324. Structuring transactions to evade reporting requirement prohibited

(a) DOMESTIC COIN AND CURRENCY TRANSACTIONS INVOLVING FINANCIAL INSTITUTIONS.—No person shall, for the purpose of evading the reporting requirements of section 5313(a) or 5325 or any regulation prescribed under any such section, the reporting or recordkeeping requirements imposed by any order issued under section 5326, or the recordkeeping requirements imposed by any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508—

(1) cause or attempt to cause a domestic financial institution to fail to file a report required under section 5313(a) or 5325 or any regulation prescribed under any such section, to file a report or to maintain a record required by an order issued under section 5326, or to

maintain a record required pursuant to any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508;

(2) cause or attempt to cause a domestic financial institution to file a report required under section 5313(a) or 5325 or any regulation prescribed under any such section, to file a report or to maintain a record required by any order issued under section 5326, or to maintain a record required pursuant to any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508, that contains a material omission or misstatement of fact; or

(3) structure or assist in structuring, or attempt to structure or assist in structuring, any transaction with one or more domestic financial institutions.

(b) DOMESTIC COIN AND CURRENCY TRANSACTIONS INVOLVING NONFINANCIAL TRADES OR BUSINESSES.—No person shall, for the purpose of evading the report requirements of section 5331 or any regulation prescribed under such section—

(1) cause or attempt to cause a nonfinancial trade or business to fail to file a report required under section 5331 or any regulation prescribed under such section;

(2) cause or attempt to cause a nonfinancial trade or business to file a report required under section 5331 or any regulation prescribed under such section that contains a material omission or misstatement of fact; or

(3) structure or assist in structuring, or attempt to structure or assist in structuring, any transaction with 1 or more nonfinancial trades or businesses.

(c) INTERNATIONAL MONETARY INSTRUMENT TRANSACTIONS.—No person shall, for the purpose of evading the reporting requirements of section 5316—

(1) fail to file a report required by section 5316, or cause or attempt to cause a person to fail to file such a report;

(2) file or cause or attempt to cause a person to file a report required under section 5316 that contains a material omission or misstatement of fact; or

(3) structure or assist in structuring, or attempt to structure or assist in structuring, any importation or exportation of monetary instruments.

(d) CRIMINAL PENALTY.—

(1) IN GENERAL.—Whoever violates this section shall be fined in accordance with title 18, United States Code, imprisoned for not more than 5 years, or both.

(2) ENHANCED PENALTY FOR AGGRAVATED CASES.—Whoever violates this section while violating another law of the United States or as part of a pattern of any illegal activity involving more than \$100,000 in a 12-month period shall be fined twice the amount provided in subsection (b)(3) or (c)(3) (as the case may be) of section 3571 of title 18, United States Code, imprisoned for not more than 10 years, or both.

(Added Pub. L. 99-570, title I, §1354(a), Oct. 27, 1986, 100 Stat. 3207-22; amended Pub. L. 102-550, title XV, §§1517(a), 1525(a), 1535(a)(1), Oct. 28, 1992, 106 Stat. 4059, 4064, 4066; Pub. L. 103-322, title XXXIII, §330017(a)(2), Sept. 13, 1994, 108 Stat. 2149; Pub. L. 103-325, title IV, §§411(a), 413(a)(2), Sept. 23, 1994, 108 Stat. 2253, 2254; Pub. L. 107-56, title III, §§353(c), 365(b)(1), (2)(A), Oct. 26, 2001, 115 Stat. 323, 334, 335; Pub. L. 108-458, title VI, §6203(g), Dec. 17, 2004, 118 Stat. 3747.)

REFERENCES IN TEXT

Section 21 of the Federal Deposit Insurance Act, referred to in subsec. (a), is classified to section 1829b of Title 12, Banks and Banking.

Section 123 of Public Law 91-508, referred to in subsec. (a), is classified to section 1953 of Title 12, Banks and Banking.

AMENDMENTS

2004—Subsec. (b). Pub. L. 108-458 substituted “5331” for “5333” wherever appearing.

2001—Subsec. (a). Pub. L. 107-56, §§353(c)(1), (2), 365(b)(2)(A), inserted “Involving Financial Institutions” after “Transactions” in heading, and in introductory provisions, inserted comma after “No person shall” and substituted “section, the reporting or recordkeeping requirements imposed by any order issued under section 5326, or the recordkeeping requirements imposed by any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508—” for “section—”.

Subsec. (a)(1). Pub. L. 107-56, §353(c)(3), inserted “, to file a report or to maintain a record required by an order issued under section 5326, or to maintain a record required pursuant to any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508” before semicolon at end.

Subsec. (a)(2). Pub. L. 107-56, §353(c)(4), inserted “, to file a report or to maintain a record required by any order issued under section 5326, or to maintain a record required pursuant to any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91-508,” after “regulation prescribed under any such section”.

Subsecs. (b) to (d). Pub. L. 107-56, §365(b)(1), added subsec. (b) and redesignated former subsecs. (b) and (c) as (c) and (d), respectively.

1994—Subsec. (a). Pub. L. 103-322, §330017(a)(2) and Pub. L. 103-325, §413(a)(2), amended subsec. (a), introductory provisions, identically, substituting “section 5313(a) or 5325 or any regulation prescribed under any such section” for “section 5313(a), section 5325, or the regulations issued thereunder or section 5325 or regulations prescribed under such section 5325” and striking out “with respect to such transaction” before dash.

Subsec. (a)(1), (2). Pub. L. 103-322, §330017(a)(2)(A) and Pub. L. 103-325, §413(a)(2)(A), amended pars. (1) and (2) identically, substituting “section 5313(a) or 5325 or any regulation prescribed under any such section” for “section 5313(a), section 5325, or the regulations issued thereunder or section 5325 or regulations prescribed under such section 5325”.

Subsec. (c). Pub. L. 103-325, §411(a), added subsec. (c). 1992—Pub. L. 102-550, §1525(a)(1), designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

Pub. L. 102-550, §§1517(a), 1535(a)(1), inserted the following duplicative provisions “or section 5325 or regulations prescribed under such section 5325” and “, section 5325, or the regulations issued thereunder” after “section 5313(a)” wherever appearing.

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-458 effective as if included in Pub. L. 107-56, as of the date of enactment of such

Act, and no amendment made by Pub. L. 107-56 that is inconsistent with such amendment to be deemed to have taken effect, see section 6205 of Pub. L. 108-458, set out as a note under section 1828 of Title 12, Banks and Banking.

EFFECTIVE DATE

Section 1364(a) of Pub. L. 99-570 provided that: “The amendment made by section 1354 [enacting this section] shall apply with respect to transactions for the payment, receipt, or transfer of United States coins or currency or other monetary instruments completed after the end of the 3-month period beginning on the date of the enactment of this Act [Oct. 27, 1986].”

§ 5325. Identification required to purchase certain monetary instruments

(a) IN GENERAL.—No financial institution may issue or sell a bank check, cashier’s check, traveler’s check, or money order to any individual in connection with a transaction or group of such contemporaneous transactions which involves United States coins or currency (or such other monetary instruments as the Secretary may prescribe) in amounts or denominations of \$3,000 or more unless—

(1) the individual has a transaction account with such financial institution and the financial institution—

(A) verifies that fact through a signature card or other information maintained by such institution in connection with the account of such individual; and

(B) records the method of verification in accordance with regulations which the Secretary of the Treasury shall prescribe; or

(2) the individual furnishes the financial institution with such forms of identification as the Secretary of the Treasury may require in regulations which the Secretary shall prescribe and the financial institution verifies and records such information in accordance with regulations which such Secretary shall prescribe.

(b) REPORT TO SECRETARY UPON REQUEST.—Any information required to be recorded by any financial institution under paragraph (1) or (2) of subsection (a) shall be reported by such institution to the Secretary of the Treasury at the request of such Secretary.

(c) TRANSACTION ACCOUNT DEFINED.—For purposes of this section, the term “transaction account” has the meaning given to such term in section 19(b)(1)(C) of the Federal Reserve Act.

(Added Pub. L. 100-690, title VI, §6185(b), Nov. 18, 1988, 102 Stat. 4355.)

REFERENCES IN TEXT

Section 19(b)(1)(C) of the Federal Reserve Act, referred to in subsec. (c), is classified to section 461(b)(1)(C) of Title 12, Banks and Banking.

§ 5326. Records of certain domestic coin and currency transactions

(a) IN GENERAL.—If the Secretary of the Treasury finds, upon the Secretary’s own initiative or at the request of an appropriate Federal or State law enforcement official, that reasonable grounds exist for concluding that additional recordkeeping and reporting requirements are necessary to carry out the purposes of this subtitle

and prevent evasions thereof, the Secretary may issue an order requiring any domestic financial institution or nonfinancial trade or business or group of domestic financial institutions or nonfinancial trades or businesses in a geographic area—

(1) to obtain such information as the Secretary may describe in such order concerning—

(A) any transaction in which such financial institution or nonfinancial trade or business is involved for the payment, receipt, or transfer of United States coins or currency (or such other monetary instruments as the Secretary may describe in such order) the total amounts or denominations of which are equal to or greater than an amount which the Secretary may prescribe; and

(B) any other person participating in such transaction;

(2) to maintain a record of such information for such period of time as the Secretary may require; and

(3) to file a report with respect to any transaction described in paragraph (1)(A) in the manner and to the extent specified in the order.

(b) **AUTHORITY TO ORDER DEPOSITORY INSTITUTIONS TO OBTAIN REPORTS FROM CUSTOMERS.**—

(1) **IN GENERAL.**—The Secretary of the Treasury may, by regulation or order, require any depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act)—

(A) to request any financial institution or nonfinancial trade or business (other than a depository institution) which engages in any reportable transaction with the depository institution to provide the depository institution with a copy of any report filed by the financial institution or nonfinancial trade or business under this subtitle with respect to any prior transaction (between such financial institution or nonfinancial trade or business and any other person) which involved any portion of the coins or currency (or monetary instruments) which are involved in the reportable transaction with the depository institution; and

(B) if no copy of any report described in subparagraph (A) is received by the depository institution in connection with any reportable transaction to which such subparagraph applies, to submit (in addition to any report required under this subtitle with respect to the reportable transaction) a written notice to the Secretary that the financial institution or nonfinancial trade or business failed to provide any copy of such report.

(2) **REPORTABLE TRANSACTION DEFINED.**—For purposes of this subsection, the term “reportable transaction” means any transaction involving coins or currency (or such other monetary instruments as the Secretary may describe in the regulation or order) the total amounts or denominations of which are equal to or greater than an amount which the Secretary may prescribe.

(c) **NONDISCLOSURE OF ORDERS.**—No financial institution or nonfinancial trade or business or

officer, director, employee or agent of a financial institution or nonfinancial trade or business subject to an order under this section may disclose the existence of, or terms of, the order to any person except as prescribed by the Secretary.

(d) **MAXIMUM EFFECTIVE PERIOD FOR ORDER.**—No order issued under subsection (a) shall be effective for more than 180 days unless renewed pursuant to the requirements of subsection (a).

(Added Pub. L. 100-690, title VI, §6185(c), Nov. 18, 1988, 102 Stat. 4355; amended Pub. L. 102-550, title XV, §§1514, 1562, Oct. 28, 1992, 106 Stat. 4058, 4072; Pub. L. 107-56, title III, §§353(d), 365(c)(2)(B), Oct. 26, 2001, 115 Stat. 323, 335.)

REFERENCES IN TEXT

Section 3(c) of the Federal Deposit Insurance Act, referred to in subsec. (b)(1), is classified to section 1813(c) of Title 12, Banks and Banking.

AMENDMENTS

2001—Subsec.(a). Pub. L. 107-56, §365(c)(2)(B), inserted “or nonfinancial trade or business” after “financial institution” and “or nonfinancial trades or businesses” for “financial institutions” in introductory provisions.

Subsec. (a)(1)(A). Pub. L. 107-56, §365(c)(2)(B)(i), inserted “or nonfinancial trade or business” after “financial institution”.

Subsec. (b)(1)(A). Pub. L. 107-56, §365(c)(2)(B)(i), inserted “or nonfinancial trade or business” after “financial institution” wherever appearing.

Subsec. (b)(1)(B). Pub. L. 107-56, §365(c)(2)(B)(i), inserted “or nonfinancial trade or business” after “financial institution”.

Subsec. (c). Pub. L. 107-56, §365(c)(2)(B)(i), inserted “or nonfinancial trade or business” after “financial institution” in two places.

Subsec. (d). Pub. L. 107-56, §353(d), substituted “more than 180 days” for “more than 60 days”.

1992—Subsecs. (b) to (d). Pub. L. 102-550 added subsecs. (b) and (c) and redesignated former subsec. (b) as (d).

[§ 5327. Repealed. Pub. L. 104-208, div. A, title II, § 2223(1), Sept. 30, 1996, 110 Stat. 3009-415]

Section, added Pub. L. 102-550, title XV, §1511(a), Oct. 28, 1992, 106 Stat. 4056, required Secretary to prescribe regulations requiring depository institutions to identify and report on financial institution customers.

§ 5328. Whistleblower protections

(a) **PROHIBITION AGAINST DISCRIMINATION.**—No financial institution or nonfinancial trade or business may discharge or otherwise discriminate against any employee with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to the request of the employee) provided information to the Secretary of the Treasury, the Attorney General, or any Federal supervisory agency regarding a possible violation of any provision of this subchapter or section 1956, 1957, or 1960 of title 18, or any regulation under any such provision, by the financial institution or nonfinancial trade or business or any director, officer, or employee of the financial institution or nonfinancial trade or business.

(b) **ENFORCEMENT.**—Any employee or former employee who believes that such employee has been discharged or discriminated against in violation of subsection (a) may file a civil action in

the appropriate United States district court before the end of the 2-year period beginning on the date of such discharge or discrimination.

(c) **REMEDIES.**—If the district court determines that a violation has occurred, the court may order the financial institution or nonfinancial trade or business which committed the violation to—

- (1) reinstate the employee to the employee's former position;
- (2) pay compensatory damages; or
- (3) take other appropriate actions to remedy any past discrimination.

(d) **LIMITATION.**—The protections of this section shall not apply to any employee who—

- (1) deliberately causes or participates in the alleged violation of law or regulation; or
- (2) knowingly or recklessly provides substantially false information to the Secretary, the Attorney General, or any Federal supervisory agency.

(e) **COORDINATION WITH OTHER PROVISIONS OF LAW.**—This section shall not apply with respect to any financial institution or nonfinancial trade or business which is subject to section 33 of the Federal Deposit Insurance Act, section 213 of the Federal Credit Union Act, or section 21A(q)¹ of the Home Owners' Loan Act (as added by section 251(c) of the Federal Deposit Insurance Corporation Improvement Act of 1991).

(Added Pub. L. 102-550, title XV, § 1563(a), Oct. 28, 1992, 106 Stat. 4072; amended Pub. L. 107-56, title III, § 365(c)(2)(B)(i), Oct. 26, 2001, 115 Stat. 335.)

REFERENCES IN TEXT

Section 33 of the Federal Deposit Insurance Act, referred to in subsec. (e), is classified to section 1831j of Title 12, Banks and Banking.

Section 213 of the Federal Credit Union Act, referred to in subsec. (e), is classified to section 1790b of Title 12, Banks and Banking.

Section 21A(q) of the Home Owners' Loan Act, referred to in subsec. (e), probably means section 21A(q) of the Federal Home Loan Bank Act, which was classified to former section 1441a(q) of Title 12, Banks and Banking, prior to repeal by Pub. L. 111-203, title III, § 364(b), July 21, 2010, 124 Stat. 1555.

AMENDMENTS

2001—Subsecs. (a), (c), (e). Pub. L. 107-56 inserted “or nonfinancial trade or business” after “financial institution” wherever appearing.

§ 5329. Staff commentaries

The Secretary shall—

- (1) publish all written rulings interpreting this subchapter; and
- (2) annually issue a staff commentary on the regulations issued under this subchapter.

(Added Pub. L. 103-325, title III, § 311(a), Sept. 23, 1994, 108 Stat. 2221.)

§ 5330. Registration of money transmitting businesses

(a) **REGISTRATION WITH SECRETARY OF THE TREASURY REQUIRED.**—

- (1) **IN GENERAL.**—Any person who owns or controls a money transmitting business shall

register the business (whether or not the business is licensed as a money transmitting business in any State) with the Secretary of the Treasury not later than the end of the 180-day period beginning on the later of—

- (A) the date of enactment of the Money Laundering Suppression Act of 1994; or
- (B) the date on which the business is established.

(2) **FORM AND MANNER OF REGISTRATION.**—Subject to the requirements of subsection (b), the Secretary of the Treasury shall prescribe, by regulation, the form and manner for registering a money transmitting business pursuant to paragraph (1).

(3) **BUSINESSES REMAIN SUBJECT TO STATE LAW.**—This section shall not be construed as superseding any requirement of State law relating to money transmitting businesses operating in such State.

(4) **FALSE AND INCOMPLETE INFORMATION.**—The filing of false or materially incomplete information in connection with the registration of a money transmitting business shall be considered as a failure to comply with the requirements of this subchapter.

(b) **CONTENTS OF REGISTRATION.**—The registration of a money transmitting business under subsection (a) shall include the following information:

- (1) The name and location of the business.
- (2) The name and address of each person who—
 - (A) owns or controls the business;
 - (B) is a director or officer of the business;
 or
 - (C) otherwise participates in the conduct of the affairs of the business.

(3) The name and address of any depository institution at which the business maintains a transaction account (as defined in section 19(b)(1)(C) of the Federal Reserve Act).

(4) An estimate of the volume of business in the coming year (which shall be reported annually to the Secretary).

(5) Such other information as the Secretary of the Treasury may require.

(c) **AGENTS OF MONEY TRANSMITTING BUSINESSES.**—

(1) **MAINTENANCE OF LISTS OF AGENTS OF MONEY TRANSMITTING BUSINESSES.**—Pursuant to regulations which the Secretary of the Treasury shall prescribe, each money transmitting business shall—

- (A) maintain a list containing the names and addresses of all persons authorized to act as an agent for such business in connection with activities described in subsection (d)(1)(A) and such other information about such agents as the Secretary may require; and
- (B) make the list and other information available on request to any appropriate law enforcement agency.

(2) **TREATMENT OF AGENT AS MONEY TRANSMITTING BUSINESS.**—The Secretary of the Treasury shall prescribe regulations establishing, on the basis of such criteria as the Secretary determines to be appropriate, a thresh-

¹ See References in Text note below.

old point for treating an agent of a money transmitting business as a money transmitting business for purposes of this section.

(d) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) MONEY TRANSMITTING BUSINESS.—The term “money transmitting business” means any business other than the United States Postal Service which—

(A) provides check cashing, currency exchange, or money transmitting or remittance services, or issues or redeems money orders, travelers’ checks, and other similar instruments or any other person who engages as a business in the transmission of funds, including any person who engages as a business in an informal money transfer system or any network of people who engage as a business in facilitating the transfer of money domestically or internationally outside of the conventional financial institutions system;¹

(B) is required to file reports under section 5313; and

(C) is not a depository institution (as defined in section 5313(g)).

(2) MONEY TRANSMITTING SERVICE.—The term “money transmitting service” includes accepting currency or funds denominated in the currency of any country and transmitting the currency or funds, or the value of the currency or funds, by any means through a financial agency or institution, a Federal reserve bank or other facility of the Board of Governors of the Federal Reserve System, or an electronic funds transfer network.

(e) CIVIL PENALTY FOR FAILURE TO COMPLY WITH REGISTRATION REQUIREMENTS.—

(1) IN GENERAL.—Any person who fails to comply with any requirement of this section or any regulation prescribed under this section shall be liable to the United States for a civil penalty of \$5,000 for each such violation.

(2) CONTINUING VIOLATION.—Each day a violation described in paragraph (1) continues shall constitute a separate violation for purposes of such paragraph.

(3) ASSESSMENTS.—Any penalty imposed under this subsection shall be assessed and collected by the Secretary of the Treasury in the manner provided in section 5321 and any such assessment shall be subject to the provisions of such section.

(Added Pub. L. 103–325, title IV, § 408(b), Sept. 23, 1994, 108 Stat. 2250; amended Pub. L. 107–56, title III, § 359(b), Oct. 26, 2001, 115 Stat. 328.)

REFERENCES IN TEXT

The date of enactment of the Money Laundering Suppression Act of 1994, referred to in subsec. (a)(1)(A), is the date of enactment of title IV of Pub. L. 103–325, which was approved Sept. 23, 1994.

Section 19(b)(1)(C) of the Federal Reserve Act, referred to in subsec. (b)(3), is classified to section 461(b)(1)(C) of Title 12, Banks and Banking.

AMENDMENTS

2001—Subsec. (d)(1)(A). Pub. L. 107–56 inserted before semicolon “or any other person who engages as a busi-

ness in the transmission of funds, including any person who engages as a business in an informal money transfer system or any network of people who engage as a business in facilitating the transfer of money domestically or internationally outside of the conventional financial institutions system;”.

FINDINGS AND PURPOSES

Section 408(a) of Pub. L. 103–325 provided that:

“(1) FINDINGS.—The Congress hereby finds the following:

“(A) Money transmitting businesses are subject to the recordkeeping and reporting requirements of subchapter II of chapter 53 of title 31, United States Code.

“(B) Money transmitting businesses are largely unregulated businesses and are frequently used in sophisticated schemes to—

“(i) transfer large amounts of money which are the proceeds of unlawful enterprises; and

“(ii) evade the requirements of such subchapter II, the Internal Revenue Code of 1986 [26 U.S.C. 1 et seq.], and other laws of the United States.

“(C) Information on the identity of money transmitting businesses and the names of the persons who own or control, or are officers or employees of, a money transmitting business would have a high degree of usefulness in criminal, tax, or regulatory investigations and proceedings.

“(2) PURPOSE.—It is the purpose of this section [enacting this section and amending section 1960 of Title 18, Crimes and Criminal Procedure] to establish a registration requirement for businesses engaged in providing check cashing, currency exchange, or money transmitting or remittance services, or issuing or redeeming money orders, travelers’ checks, and other similar instruments to assist the Secretary of the Treasury, the Attorney General, and other supervisory and law enforcement agencies to effectively enforce the criminal, tax, and regulatory laws and prevent such money transmitting businesses from engaging in illegal activities.”

§ 5331. Reports relating to coins and currency received in nonfinancial trade or business

(a) COIN AND CURRENCY RECEIPTS OF MORE THAN \$10,000.—Any person—

(1)(A) who is engaged in a trade or business, and

(B) who, in the course of such trade or business, receives more than \$10,000 in coins or currency in 1 transaction (or 2 or more related transactions), or

(2) who is required to file a report under section 6050I(g) of the Internal Revenue Code of 1986,

shall file a report described in subsection (b) with respect to such transaction (or related transactions) with the Financial Crimes Enforcement Network at such time and in such manner as the Secretary may, by regulation, prescribe.

(b) FORM AND MANNER OF REPORTS.—A report is described in this subsection if such report—

(1) is in such form as the Secretary may prescribe;

(2) contains—

(A) the name and address, and such other identification information as the Secretary may require, of the person from whom the coins or currency was received;

(B) the amount of coins or currency received;

(C) the date and nature of the transaction; and

¹ So in original.

(D) such other information, including the identification of the person filing the report, as the Secretary may prescribe.

(c) EXCEPTIONS.—

(1) AMOUNTS RECEIVED BY FINANCIAL INSTITUTIONS.—Subsection (a) shall not apply to amounts received in a transaction reported under section 5313 and regulations prescribed under such section.

(2) TRANSACTIONS OCCURRING OUTSIDE THE UNITED STATES.—Except to the extent provided in regulations prescribed by the Secretary, subsection (a) shall not apply to any transaction if the entire transaction occurs outside the United States.

(d) CURRENCY INCLUDES FOREIGN CURRENCY AND CERTAIN MONETARY INSTRUMENTS.—

(1) IN GENERAL.—For purposes of this section, the term “currency” includes—

(A) foreign currency; and

(B) to the extent provided in regulations prescribed by the Secretary, any monetary instrument (whether or not in bearer form) with a face amount of not more than \$10,000.

(2) SCOPE OF APPLICATION.—Paragraph (1)(B) shall not apply to any check drawn on the account of the writer in a financial institution referred to in subparagraph (A), (B), (C), (D), (E), (F), (G), (J), (K), (R), or (S) of section 5312(a)(2).

(Added Pub. L. 107–56, title III, §365(a), Oct. 26, 2001, 115 Stat. 333; amended Pub. L. 112–74, div. C, title I, §120, Dec. 23, 2011, 125 Stat. 891.)

REFERENCES IN TEXT

Section 6050I(g) of the Internal Revenue Code of 1986, referred to in subsec. (a)(2), is classified to section 6050I of Title 26, Internal Revenue Code.

AMENDMENTS

2011—Subsec. (a). Pub. L. 112–74 redesignated pars. (1) and (2) as subpars. (A) and (B), respectively, of par. (1), substituted “; and” for “; and” in subpar. (A), inserted “or” at end of subpar. (B), and added par. (2).

REGULATIONS

Pub. L. 107–56, title III, §365(e), formerly §365(f), Oct. 26, 2001, 115 Stat. 335, renumbered §365(e) by Pub. L. 108–458, title VI, §6202(n)(2), Dec. 17, 2004, 118 Stat. 3746, provided that: “Regulations which the Secretary [of the Treasury] determines are necessary to implement this section [enacting this section and amending sections 5312, 5317, 5318, 5321, 5324, 5326, and 5328 of this title] shall be published in final form before the end of the 6-month period beginning on the date of enactment of this Act [Oct. 26, 2001].”

§ 5332. Bulk cash smuggling into or out of the United States

(a) CRIMINAL OFFENSE.—

(1) IN GENERAL.—Whoever, with the intent to evade a currency reporting requirement under section 5316, knowingly conceals more than \$10,000 in currency or other monetary instruments on the person of such individual or in any conveyance, article of luggage, merchandise, or other container, and transports or transfers or attempts to transport or transfer such currency or monetary instruments from a place within the United States to a place outside of the United States, or from a place

outside the United States to a place within the United States, shall be guilty of a currency smuggling offense and subject to punishment pursuant to subsection (b).

(2) CONCEALMENT ON PERSON.—For purposes of this section, the concealment of currency on the person of any individual includes concealment in any article of clothing worn by the individual or in any luggage, backpack, or other container worn or carried by such individual.

(b) PENALTY.—

(1) TERM OF IMPRISONMENT.—A person convicted of a currency smuggling offense under subsection (a), or a conspiracy to commit such offense, shall be imprisoned for not more than 5 years.

(2) FORFEITURE.—In addition, the court, in imposing sentence under paragraph (1), shall order that the defendant forfeit to the United States, any property, real or personal, involved in the offense, and any property traceable to such property.

(3) PROCEDURE.—The seizure, restraint, and forfeiture of property under this section shall be governed by section 413 of the Controlled Substances Act.

(4) PERSONAL MONEY JUDGMENT.—If the property subject to forfeiture under paragraph (2) is unavailable, and the defendant has insufficient substitute property that may be forfeited pursuant to section 413(p) of the Controlled Substances Act, the court shall enter a personal money judgment against the defendant for the amount that would be subject to forfeiture.

(c) CIVIL FORFEITURE.—

(1) IN GENERAL.—Any property involved in a violation of subsection (a), or a conspiracy to commit such violation, and any property traceable to such violation or conspiracy, may be seized and forfeited to the United States.

(2) PROCEDURE.—The seizure and forfeiture shall be governed by the procedures governing civil forfeitures in money laundering cases pursuant to section 981(a)(1)(A) of title 18, United States Code.

(3) TREATMENT OF CERTAIN PROPERTY AS INVOLVED IN THE OFFENSE.—For purposes of this subsection and subsection (b), any currency or other monetary instrument that is concealed or intended to be concealed in violation of subsection (a) or a conspiracy to commit such violation, any article, container, or conveyance used, or intended to be used, to conceal or transport the currency or other monetary instrument, and any other property used, or intended to be used, to facilitate the offense, shall be considered property involved in the offense.

(Added Pub. L. 107–56, title III, §371(c), Oct. 26, 2001, 115 Stat. 337; amended Pub. L. 108–458, title VI, §6203(h), Dec. 17, 2004, 118 Stat. 3747.)

REFERENCES IN TEXT

Section 413 of the Controlled Substances Act, referred to in subsec. (b)(3), (4), is classified to section 853 of Title 21, Food and Drugs.

CODIFICATION

Another section 371(c) of Pub. L. 107–56 amended the table of sections at the beginning of this chapter.

AMENDMENTS

2004—Subsec. (b)(2). Pub. L. 108-458, §6203(h)(1), struck out “, subject to subsection (d) of this section” before period at end.

Subsec. (c)(1). Pub. L. 108-458, §6203(h)(2), struck out “, subject to subsection (d) of this section,” after “may be seized and”.

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-458 effective as if included in Pub. L. 107-56, as of the date of enactment of such Act, and no amendment made by Pub. L. 107-56 that is inconsistent with such amendment to be deemed to have taken effect, see section 6205 of Pub. L. 108-458, set out as a note under section 1828 of Title 12, Banks and Banking.

BULK CASH SMUGGLING INTO OR OUT OF THE UNITED STATES

Pub. L. 107-56, title III, §371(a), (b), Oct. 26, 2001, 115 Stat. 336, 337, provided that:

“(a) FINDINGS.—The Congress finds the following:

“(1) Effective enforcement of the currency reporting requirements of subchapter II of chapter 53 of title 31, United States Code, and the regulations prescribed under such subchapter, has forced drug dealers and other criminals engaged in cash-based businesses to avoid using traditional financial institutions.

“(2) In their effort to avoid using traditional financial institutions, drug dealers and other criminals are forced to move large quantities of currency in bulk form to and through the airports, border crossings, and other ports of entry where the currency can be smuggled out of the United States and placed in a foreign financial institution or sold on the black market.

“(3) The transportation and smuggling of cash in bulk form may now be the most common form of money laundering, and the movement of large sums of cash is one of the most reliable warning signs of drug trafficking, terrorism, money laundering, racketeering, tax evasion and similar crimes.

“(4) The intentional transportation into or out of the United States of large amounts of currency or monetary instruments, in a manner designed to circumvent the mandatory reporting provisions of subchapter II of chapter 53 of title 31, United States Code, [sic] is the equivalent of, and creates the same harm as, the smuggling of goods.

“(5) The arrest and prosecution of bulk cash smugglers are important parts of law enforcement’s effort to stop the laundering of criminal proceeds, but the couriers who attempt to smuggle the cash out of the United States are typically low-level employees of large criminal organizations, and thus are easily replaced. Accordingly, only the confiscation of the smuggled bulk cash can effectively break the cycle of criminal activity of which the laundering of the bulk cash is a critical part.

“(6) The current penalties for violations of the currency reporting requirements are insufficient to provide a deterrent to the laundering of criminal proceeds. In particular, in cases where the only criminal violation under current law is a reporting offense, the law does not adequately provide for the confiscation of smuggled currency. In contrast, if the smuggling of bulk cash were itself an offense, the cash could be confiscated as the corpus delicti of the smuggling offense.

“(b) PURPOSES.—The purposes of this section [enacting this section] are—

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

“(2) to authorize forfeiture of any cash or instruments of the smuggling offense; and

“(3) to emphasize the seriousness of the act of bulk cash smuggling.”

SUBCHAPTER III—MONEY LAUNDERING AND RELATED FINANCIAL CRIMES

§ 5340. Definitions

For purposes of this subchapter, the following definitions shall apply:

(1) DEPARTMENT OF THE TREASURY LAW ENFORCEMENT ORGANIZATIONS.—The term “Department of the Treasury law enforcement organizations” has the meaning given to such term in section 9703(p)(1).

(2) MONEY LAUNDERING AND RELATED FINANCIAL CRIME.—The term “money laundering and related financial crime”—

(A) means the movement of illicit cash or cash equivalent proceeds into, out of, or through the United States, or into, out of, or through United States financial institutions, as defined in section 5312 of title 31, United States Code; or

(B) has the meaning given that term (or the term used for an equivalent offense) under State and local criminal statutes pertaining to the movement of illicit cash or cash equivalent proceeds.

(3) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(4) ATTORNEY GENERAL.—The term “Attorney General” means the Attorney General of the United States.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2941.)

PART 1—NATIONAL MONEY LAUNDERING AND RELATED FINANCIAL CRIMES STRATEGY

§ 5341. National money laundering and related financial crimes strategy

(a) DEVELOPMENT AND TRANSMITTAL TO CONGRESS.—

(1) DEVELOPMENT.—The President, acting through the Secretary and in consultation with the Attorney General, shall develop a national strategy for combating money laundering and related financial crimes.

(2) TRANSMITTAL TO CONGRESS.—By August 1 of 1999, 2000, 2001, 2002, 2003, 2005, and 2007, the President shall submit a national strategy developed in accordance with paragraph (1) to the Congress.

(3) SEPARATE PRESENTATION OF CLASSIFIED MATERIAL.—Any part of the strategy that involves information which is properly classified under criteria established by Executive Order shall be submitted to the Congress separately in classified form.

(b) DEVELOPMENT OF STRATEGY.—The national strategy for combating money laundering and related financial crimes shall address any area the President, acting through the Secretary and in consultation with the Attorney General, considers appropriate, including the following:

(1) GOALS, OBJECTIVES, AND PRIORITIES.—Comprehensive, research-based goals, objectives, and priorities for reducing money laundering and related financial crime in the United States.

(2) PREVENTION.—Coordination of regulatory and other efforts to prevent the exploitation

of financial systems in the United States for money laundering and related financial crimes, including a requirement that the Secretary shall—

(A) regularly review enforcement efforts under this subchapter and other provisions of law and, when appropriate, modify existing regulations or prescribe new regulations for purposes of preventing such criminal activity; and

(B) coordinate prevention efforts and other enforcement action with the Board of Governors of the Federal Reserve System, the Securities and Exchange Commission, the Federal Trade Commission, other Federal banking agencies, the National Credit Union Administration Board, and such other Federal agencies as the Secretary, in consultation with the Attorney General, determines to be appropriate.

(3) DETECTION AND PROSECUTION INITIATIVES.—A description of operational initiatives to improve detection and prosecution of money laundering and related financial crimes and the seizure and forfeiture of proceeds and instrumentalities derived from such crimes.

(4) ENHANCEMENT OF THE ROLE OF THE PRIVATE FINANCIAL SECTOR IN PREVENTION.—The enhancement of partnerships between the private financial sector and law enforcement agencies with regard to the prevention and detection of money laundering and related financial crimes, including providing incentives to strengthen internal controls and to adopt on an industrywide basis more effective policies.

(5) ENHANCEMENT OF INTERGOVERNMENTAL COOPERATION.—The enhancement of—

(A) cooperative efforts between the Federal Government and State and local officials, including State and local prosecutors and other law enforcement officials; and

(B) cooperative efforts among the several States and between State and local officials, including State and local prosecutors and other law enforcement officials,

for financial crimes control which could be utilized or should be encouraged.

(6) PROJECT AND BUDGET PRIORITIES.—A 3-year projection for program and budget priorities and achievable projects for reductions in financial crimes.

(7) ASSESSMENT OF FUNDING.—A complete assessment of how the proposed budget is intended to implement the strategy and whether the funding levels contained in the proposed budget are sufficient to implement the strategy.

(8) DESIGNATED AREAS.—A description of geographical areas designated as “high-risk money laundering and related financial crime areas” in accordance with, but not limited to, section 5342.

(9) PERSONS CONSULTED.—Persons or officers consulted by the Secretary pursuant to subsection (d).

(10) DATA REGARDING TRENDS IN MONEY LAUNDERING AND RELATED FINANCIAL CRIMES.—The need for additional information necessary for the purpose of developing and analyzing data in order to ascertain financial crime trends.

(11) IMPROVED COMMUNICATIONS SYSTEMS.—A plan for enhancing the compatibility of automated information and facilitating access of the Federal Government and State and local governments to timely, accurate, and complete information.

(12) DATA REGARDING FUNDING OF TERRORISM.—Data concerning money laundering efforts related to the funding of acts of international terrorism, and efforts directed at the prevention, detection, and prosecution of such funding.

(c) EFFECTIVENESS REPORT.—At the time each national strategy for combating financial crimes is transmitted by the President to the Congress (other than the first transmission of any such strategy) pursuant to subsection (a), the Secretary shall submit a report containing an evaluation of the effectiveness of policies to combat money laundering and related financial crimes.

(d) CONSULTATIONS.—In addition to the consultations required under this section with the Attorney General, in developing the national strategy for combating money laundering and related financial crimes, the Secretary shall consult with—

(1) the Board of Governors of the Federal Reserve System and other Federal banking agencies and the National Credit Union Administration Board;

(2) State and local officials, including State and local prosecutors;

(3) the Securities and Exchange Commission;

(4) the Commodities and Futures Trading Commission;

(5) the Director of the Office of National Drug Control Policy, with respect to money laundering and related financial crimes involving the proceeds of drug trafficking;

(6) the Chief of the United States Postal Inspection Service;

(7) to the extent appropriate, State and local officials responsible for financial institution and financial market regulation;

(8) any other State or local government authority, to the extent appropriate;

(9) any other Federal Government authority or instrumentality, to the extent appropriate; and

(10) representatives of the private financial services sector, to the extent appropriate.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2942; amended Pub. L. 107-56, title III, §354, Oct. 26, 2001, 115 Stat. 323; Pub. L. 108-458, title VI, §6102(a), Dec. 17, 2004, 118 Stat. 3744.)

AMENDMENTS

2004—Subsec. (a)(2). Pub. L. 108-458 substituted “August 1” for “February 1” and “2003, 2005, and 2007,” for “and 2003.”

2001—Subsec. (b)(12). Pub. L. 107-56 added par. (12).

§ 5342. High-risk money laundering and related financial crime areas

(a) FINDINGS AND PURPOSE.—

(1) FINDINGS.—The Congress finds the following:

(A) Money laundering and related financial crimes frequently appear to be concentrated

in particular geographic areas, financial systems, industry sectors, or financial institutions.

(B) While the Secretary has the responsibility to act with regard to Federal offenses which are being committed in a particular locality or are directed at a single institution, because modern financial systems and institutions are interconnected to a degree which was not possible until recently, money laundering and other related financial crimes are likely to have local, State, national, and international effects wherever they are committed.

(2) PURPOSE AND OBJECTIVE.—It is the purpose of this section to provide a mechanism for designating any area where money laundering or a related financial crime appears to be occurring at a higher than average rate such that—

(A) a comprehensive approach to the problem of such crime in such area can be developed, in cooperation with State and local law enforcement agencies, which utilizes the authority of the Secretary to prevent such activity; or

(B) such area can be targeted for law enforcement action.

(b) ELEMENT OF NATIONAL STRATEGY.—The designation of certain areas as areas in which money laundering and related financial crimes are extensive or present a substantial risk shall be an element of the national strategy developed pursuant to section 5341(b).

(c) DESIGNATION OF AREAS.—

(1) DESIGNATION BY SECRETARY.—The Secretary, after taking into consideration the factors specified in subsection (d), shall designate any geographical area, industry, sector, or institution in the United States in which money laundering and related financial crimes are extensive or present a substantial risk as a “high-risk money laundering and related financial crimes area”.

(2) CASE-BY-CASE DETERMINATION IN CONSULTATION WITH THE ATTORNEY GENERAL.—In addition to the factors specified in subsection (d), any designation of any area under paragraph (1) shall be made on the basis of a determination by the Secretary, in consultation with the Attorney General, that the particular area, industry, sector, or institution is being victimized by, or is particularly vulnerable to, money laundering and related financial crimes.

(3) SPECIFIC INITIATIVES.—Any head of a department, bureau, or law enforcement agency, including any State or local prosecutor, involved in the detection, prevention, and suppression of money laundering and related financial crimes and any State or local official or prosecutor may submit—

(A) a written request for the designation of any area as a high-risk money laundering and related financial crimes area; or

(B) a written request for funding under section 5351 for a specific prevention or enforcement initiative, or to determine the extent of financial criminal activity, in an area.

(d) FACTORS.—In considering the designation of any area as a high-risk money laundering and related financial crimes area, the Secretary shall, to the extent appropriate and in consultation with the Attorney General, take into account the following factors:

(1) The population of the area.

(2) The number of bank and nonbank financial institution transactions which originate in such area or involve institutions located in such area.

(3) The number of stock or commodities transactions which originate in such area or involve institutions located in such area.

(4) Whether the area is a key transportation hub with any international ports or airports or an extensive highway system.

(5) Whether the area is an international center for banking or commerce.

(6) The extent to which financial crimes and financial crime-related activities in such area are having a harmful impact in other areas of the country.

(7) The number or nature of requests for information or analytical assistance which—

(A) are made to the analytical component of the Department of the Treasury; and

(B) originate from law enforcement or regulatory authorities located in such area or involve institutions or businesses located in such area or residents of such area.

(8) The volume or nature of suspicious activity reports originating in the area.

(9) The volume or nature of currency transaction reports or reports of cross-border movements of currency or monetary instruments originating in, or transported through, the area.

(10) Whether, and how often, the area has been the subject of a geographical targeting order.

(11) Observed changes in trends and patterns of money laundering activity.

(12) Unusual patterns, anomalies, growth, or other changes in the volume or nature of core economic statistics or indicators.

(13) Statistics or indicators of unusual or unexplained volumes of cash transactions.

(14) Unusual patterns, anomalies, or changes in the volume or nature of transactions conducted through financial institutions operating within or outside the United States.

(15) The extent to which State and local governments and State and local law enforcement agencies have committed resources to respond to the financial crime problem in the area and the degree to which the commitment of such resources reflects a determination by such government and agencies to address the problem aggressively.

(16) The extent to which a significant increase in the allocation of Federal resources to combat financial crimes in such area is necessary to provide an adequate State and local response to financial crimes and financial crime-related activities in such area.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2944.)

REPORT AND RECOMMENDATIONS

Pub. L. 105-310, §2(c), Oct. 30, 1998, 112 Stat. 2949, provided that: “Before the end of the 5-year period begin-

ning on the date the first national strategy for combating money laundering and related financial crimes is submitted to the Congress pursuant to section 5341(a)(1) of title 31, United States Code (as added by section 2(a) of this Act), the Secretary of the Treasury, in consultation with the Attorney General, shall submit a report to the Committee on Banking and Financial Services [now Committee on Financial Services] and the Committee on the Judiciary of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on the Judiciary of the Senate on the effectiveness of and the need for the designation of areas, under section 5342 of title 31, United States Code (as added by such section 2(a)), as high-risk money laundering and related financial crime areas, together with recommendations for such legislation as the Secretary and the Attorney General may determine to be appropriate to carry out the purposes of such section.”

PART 2—FINANCIAL CRIME-FREE COMMUNITIES
SUPPORT PROGRAM

§ 5351. Establishment of financial crime-free communities support program

(a) ESTABLISHMENT.—The Secretary of the Treasury, in consultation with the Attorney General, shall establish a program to support local law enforcement efforts in the development and implementation of a program for the detection, prevention, and suppression of money laundering and related financial crimes.

(b) PROGRAM.—In carrying out the program, the Secretary of the Treasury, in consultation with the Attorney General, shall—

- (1) make and track grants to grant recipients;
- (2) provide for technical assistance and training, data collection, and dissemination of information on state-of-the-art practices that the Secretary determines to be effective in detecting, preventing, and suppressing money laundering and related financial crimes; and
- (3) provide for the general administration of the program.

(c) ADMINISTRATION.—The Secretary shall appoint an administrator to carry out the program.

(d) CONTRACTING.—The Secretary may employ any necessary staff and may enter into contracts or agreements with Federal and State law enforcement agencies to delegate authority for the execution of grants and for such other activities necessary to carry out this chapter.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2946.)

§ 5352. Program authorization

(a) GRANT ELIGIBILITY.—To be eligible to receive an initial grant or a renewal grant under this part, a State or local law enforcement agency or prosecutor shall meet each of the following criteria:

(1) APPLICATION.—The State or local law enforcement agency or prosecutor shall submit an application to the Secretary in accordance with section 5353(a)(2).

(2) ACCOUNTABILITY.—The State or local law enforcement agency or prosecutor shall—

- (A) establish a system to measure and report outcomes—
 - (i) consistent with common indicators and evaluation protocols established by

the Secretary, in consultation with the Attorney General; and

- (ii) approved by the Secretary;

(B) conduct biennial surveys (or incorporate local surveys in existence at the time of the evaluation) to measure the progress and effectiveness of the coalition; and

(C) provide assurances that the entity conducting an evaluation under this paragraph, or from which the applicant receives information, has experience in gathering data related to money laundering and related financial crimes.

(b) GRANT AMOUNTS.—

(1) GRANTS.—

(A) IN GENERAL.—Subject to subparagraph (D), for a fiscal year, the Secretary of the Treasury, in consultation with the Attorney General, may grant to an eligible applicant under this section for that fiscal year, an amount determined by the Secretary of the Treasury, in consultation with the Attorney General, to be appropriate.

(B) SUSPENSION OF GRANTS.—If such grant recipient fails to continue to meet the criteria specified in subsection (a), the Secretary may suspend the grant, after providing written notice to the grant recipient and an opportunity to appeal.

(C) RENEWAL GRANTS.—Subject to subparagraph (D), the Secretary may award a renewal grant to a grant recipient under this subparagraph for each fiscal year following the fiscal year for which an initial grant is awarded.

(D) LIMITATION.—The amount of a grant award under this paragraph may not exceed \$750,000 for a fiscal year.

(2) GRANT AWARDS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary may, with respect to a community, make a grant to one eligible applicant that represents that community.

(B) EXCEPTION.—The Secretary may make a grant to more than one eligible applicant that represent¹ a community if—

- (i) the eligible coalitions demonstrate that the coalitions are collaborating with one another; and
- (ii) each of the coalitions has independently met the requirements set forth in subsection (a).

(c) CONDITION RELATING TO PROCEEDS OF ASSET FORFEITURES.—

(1) IN GENERAL.—No grant may be made or renewed under this part to any State or local law enforcement agency or prosecutor unless the agency or prosecutor agrees to donate to the Secretary of the Treasury for the program established under this part any amount received by such agency or prosecutor (after the grant is made) pursuant to any criminal or civil forfeiture under chapter 46 of title 18, United States Code, or any similar provision of State law.

(2) SCOPE OF APPLICATION.—Paragraph (1) shall not apply to any amount received by a

¹ So in original. Probably should be “represents”.

State or local law enforcement agency or prosecutor pursuant to any criminal or civil forfeiture referred to in such paragraph in excess of the aggregate amount of grants received by such agency or prosecutor under this part.

(d) ROLLING GRANT APPLICATION PERIODS.—In establishing the program under this part, the Secretary shall take such action as may be necessary to ensure, to the extent practicable, that—

(1) applications for grants under this part may be filed at any time during a fiscal year; and

(2) some portion of the funds appropriated under this part for any such fiscal year will remain available for grant applications filed later in the fiscal year.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2946.)

§ 5353. Information collection and dissemination with respect to grant recipients

(a) APPLICANT AND GRANTEE INFORMATION.—

(1) APPLICATION PROCESS.—The Secretary shall issue requests for proposal, as necessary, regarding, with respect to the grants awarded under section 5352, the application process, grant renewal, and suspension or withholding of renewal grants. Each application under this paragraph shall be in writing and shall be subject to review by the Secretary.

(2) REPORTING.—The Secretary shall, to the maximum extent practicable and in a manner consistent with applicable law, minimize reporting requirements by a grant recipient and expedite any application for a renewal grant made under this part.

(b) ACTIVITIES OF SECRETARY.—The Secretary may—

(1) evaluate the utility of specific initiatives relating to the purposes of the program;

(2) conduct an evaluation of the program; and

(3) disseminate information described in this subsection to—

(A) eligible State local law enforcement agencies or prosecutors; and

(B) the general public.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2948.)

§ 5354. Grants for fighting money laundering and related financial crimes

(a) IN GENERAL.—After the end of the 1-year period beginning on the date the first national strategy for combating money laundering and related financial crimes is submitted to the Congress in accordance with section 5341, and subject to subsection (b), the Secretary may review, select, and award grants for State or local law enforcement agencies and prosecutors to provide funding necessary to investigate and prosecute money laundering and related financial crimes in high-risk money laundering and related financial crime areas.

(b) SPECIAL PREFERENCE.—Special preference shall be given to applications submitted to the Secretary which demonstrate collaborative efforts of two or more State and local law enforce-

ment agencies or prosecutors who have a history of Federal, State, and local cooperative law enforcement and prosecutorial efforts in responding to such criminal activity.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2948.)

§ 5355. Authorization of appropriations

There are authorized to be appropriated the following amounts for the following fiscal years to carry out the purposes of this subchapter:

For fiscal year:	The amount authorized is:
1999	\$5,000,000.
2000	\$7,500,000.
2001	\$10,000,000.
2002	\$12,500,000.
2003	\$15,000,000.
2004	\$15,000,000.
2005	\$15,000,000.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2948; amended Pub. L. 108-458, title VI, §6102(b), Dec. 17, 2004, 118 Stat. 3745.)

AMENDMENTS

2004—Pub. L. 108-458 in table inserted items specifying amounts authorized for fiscal years 2004 and 2005.

SUBCHAPTER IV—PROHIBITION ON FUNDING OF UNLAWFUL INTERNET GAMBLING

§ 5361. Congressional findings and purpose

(a) FINDINGS.—Congress finds the following:

(1) Internet gambling is primarily funded through personal use of payment system instruments, credit cards, and wire transfers.

(2) The National Gambling Impact Study Commission in 1999 recommended the passage of legislation to prohibit wire transfers to Internet gambling sites or the banks which represent such sites.

(3) Internet gambling is a growing cause of debt collection problems for insured depository institutions and the consumer credit industry.

(4) New mechanisms for enforcing gambling laws on the Internet are necessary because traditional law enforcement mechanisms are often inadequate for enforcing gambling prohibitions or regulations on the Internet, especially where such gambling crosses State or national borders.

(b) RULE OF CONSTRUCTION.—No provision of this subchapter shall be construed as altering, limiting, or extending any Federal or State law or Tribal-State compact prohibiting, permitting, or regulating gambling within the United States.

(Added Pub. L. 109-347, title VIII, §802(a), Oct. 13, 2006, 120 Stat. 1952.)

INTERNET GAMBLING IN OR THROUGH FOREIGN JURISDICTIONS

Pub. L. 109-347, title VIII, §803, Oct. 13, 2006, 120 Stat. 1962, provided that:

“(a) IN GENERAL.—In deliberations between the United States Government and any foreign country on money laundering, corruption, and crime issues, the United States Government should—

“(1) encourage cooperation by foreign governments and relevant international fora in identifying wheth-

er Internet gambling operations are being used for money laundering, corruption, or other crimes;

“(2) advance policies that promote the cooperation of foreign governments, through information sharing or other measures, in the enforcement of this Act [probably means title VIII of Pub. L. 109-347, which enacted this subchapter, see Short Title of 2006 Amendment note set out under section 5301 of this title]; and

“(3) encourage the Financial Action Task Force on Money Laundering, in its annual report on money laundering typologies, to study the extent to which Internet gambling operations are being used for money laundering purposes.

“(b) REPORT REQUIRED.—The Secretary of the Treasury shall submit an annual report to the Congress on any deliberations between the United States and other countries on issues relating to Internet gambling.”

§ 5362. Definitions

In this subchapter:

(1) BET OR WAGER.—The term “bet or wager”—

(A) means the staking or risking by any person of something of value upon the outcome of a contest of others, a sporting event, or a game subject to chance, upon an agreement or understanding that the person or another person will receive something of value in the event of a certain outcome;

(B) includes the purchase of a chance or opportunity to win a lottery or other prize (which opportunity to win is predominantly subject to chance);

(C) includes any scheme of a type described in section 3702 of title 28;

(D) includes any instructions or information pertaining to the establishment or movement of funds by the bettor or customer in, to, or from an account with the business of betting or wagering; and

(E) does not include—

(i) any activity governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934¹ for the purchase or sale of securities (as that term is defined in section 3(a)(10) of that Act);

(ii) any transaction conducted on or subject to the rules of a registered entity or exempt board of trade under the Commodity Exchange Act;

(iii) any over-the-counter derivative instrument;

(iv) any other transaction that—

(I) is excluded or exempt from regulation under the Commodity Exchange Act; or

(II) is exempt from State gaming or bucket shop laws under section 12(e) of the Commodity Exchange Act or section 28(a) of the Securities Exchange Act of 1934;

(v) any contract of indemnity or guarantee;

(vi) any contract for insurance;

(vii) any deposit or other transaction with an insured depository institution;

(viii) participation in any game or contest in which participants do not stake or risk anything of value other than—

(I) personal efforts of the participants in playing the game or contest or obtaining access to the Internet; or

(II) points or credits that the sponsor of the game or contest provides to participants free of charge and that can be used or redeemed only for participation in games or contests offered by the sponsor; or

(ix) participation in any fantasy or simulation sports game or educational game or contest in which (if the game or contest involves a team or teams) no fantasy or simulation sports team is based on the current membership of an actual team that is a member of an amateur or professional sports organization (as those terms are defined in section 3701 of title 28) and that meets the following conditions:

(I) All prizes and awards offered to winning participants are established and made known to the participants in advance of the game or contest and their value is not determined by the number of participants or the amount of any fees paid by those participants.

(II) All winning outcomes reflect the relative knowledge and skill of the participants and are determined predominantly by accumulated statistical results of the performance of individuals (athletes in the case of sports events) in multiple real-world sporting or other events.

(III) No winning outcome is based—

(aa) on the score, point-spread, or any performance or performances of any single real-world team or any combination of such teams; or

(bb) solely on any single performance of an individual athlete in any single real-world sporting or other event.

(2) BUSINESS OF BETTING OR WAGERING.—The term “business of betting or wagering” does not include the activities of a financial transaction provider, or any interactive computer service or telecommunications service.

(3) DESIGNATED PAYMENT SYSTEM.—The term “designated payment system” means any system utilized by a financial transaction provider that the Secretary and the Board of Governors of the Federal Reserve System, in consultation with the Attorney General, jointly determine, by regulation or order, could be utilized in connection with, or to facilitate, any restricted transaction.

(4) FINANCIAL TRANSACTION PROVIDER.—The term “financial transaction provider” means a creditor, credit card issuer, financial institution, operator of a terminal at which an electronic fund transfer may be initiated, money transmitting business, or international, national, regional, or local payment network utilized to effect a credit transaction, electronic fund transfer, stored value product transaction, or money transmitting service, or a participant in such network, or other participant in a designated payment system.

(5) INTERNET.—The term “Internet” means the international computer network of interoperable packet switched data networks.

¹ So in original. Probably should be followed by a closing parenthesis.

(6) INTERACTIVE COMPUTER SERVICE.—The term “interactive computer service” has the meaning given the term in section 230(f) of the Communications Act of 1934 (47 U.S.C. 230(f)).

(7) RESTRICTED TRANSACTION.—The term “restricted transaction” means any transaction or transmittal involving any credit, funds, instrument, or proceeds described in any paragraph of section 5363 which the recipient is prohibited from accepting under section 5363.

(8) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(9) STATE.—The term “State” means any State of the United States, the District of Columbia, or any commonwealth, territory, or other possession of the United States.

(10) UNLAWFUL INTERNET GAMBLING.—

(A) IN GENERAL.—The term “unlawful Internet gambling” means to place, receive, or otherwise knowingly transmit a bet or wager by any means which involves the use, at least in part, of the Internet where such bet or wager is unlawful under any applicable Federal or State law in the State or Tribal lands in which the bet or wager is initiated, received, or otherwise made.

(B) INTRASTATE TRANSACTIONS.—The term “unlawful Internet gambling” does not include placing, receiving, or otherwise transmitting a bet or wager where—

(i) the bet or wager is initiated and received or otherwise made exclusively within a single State;

(ii) the bet or wager and the method by which the bet or wager is initiated and received or otherwise made is expressly authorized by and placed in accordance with the laws of such State, and the State law or regulations include—

(I) age and location verification requirements reasonably designed to block access to minors and persons located out of such State; and

(II) appropriate data security standards to prevent unauthorized access by any person whose age and current location has not been verified in accordance with such State’s law or regulations; and

(iii) the bet or wager does not violate any provision of—

(I) the Interstate Horseracing Act of 1978 (15 U.S.C. 3001 et seq.);

(II) chapter 178 of title 28 (commonly known as the “Professional and Amateur Sports Protection Act”);

(III) the Gambling Devices Transportation Act (15 U.S.C. 1171 et seq.); or

(IV) the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.).

(C) INTRATRIAL TRANSACTIONS.—The term “unlawful Internet gambling” does not include placing, receiving, or otherwise transmitting a bet or wager where—

(i) the bet or wager is initiated and received or otherwise made exclusively—

(I) within the Indian lands of a single Indian tribe (as such terms are defined under the Indian Gaming Regulatory Act); or

(II) between the Indian lands of 2 or more Indian tribes to the extent that

intertribal gaming is authorized by the Indian Gaming Regulatory Act;

(ii) the bet or wager and the method by which the bet or wager is initiated and received or otherwise made is expressly authorized by and complies with the requirements of—

(I) the applicable tribal ordinance or resolution approved by the Chairman of the National Indian Gaming Commission; and

(II) with respect to class III gaming, the applicable Tribal-State Compact;

(iii) the applicable tribal ordinance or resolution or Tribal-State Compact includes—

(I) age and location verification requirements reasonably designed to block access to minors and persons located out of the applicable Tribal lands; and

(II) appropriate data security standards to prevent unauthorized access by any person whose age and current location has not been verified in accordance with the applicable tribal ordinance or resolution or Tribal-State Compact; and

(iv) the bet or wager does not violate any provision of—

(I) the Interstate Horseracing Act of 1978 (15 U.S.C. 3001 et seq.);

(II) chapter 178 of title 28 (commonly known as the “Professional and Amateur Sports Protection Act”);

(III) the Gambling Devices Transportation Act (15 U.S.C. 1171 et seq.); or

(IV) the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.).

(D) INTERSTATE HORSE RACING.—

(i) IN GENERAL.—The term “unlawful Internet gambling” shall not include any activity that is allowed under the Interstate Horseracing Act of 1978 (15 U.S.C. 3001 et seq.).

(ii) RULE OF CONSTRUCTION REGARDING PREEMPTION.—Nothing in this subchapter may be construed to preempt any State law prohibiting gambling.

(iii) SENSE OF CONGRESS.—It is the sense of Congress that this subchapter shall not change which activities related to horse racing may or may not be allowed under Federal law. This subparagraph is intended to address concerns that this subchapter could have the effect of changing the existing relationship between the Interstate Horseracing Act and other Federal statutes in effect on the date of the enactment of this subchapter. This subchapter is not intended to change that relationship. This subchapter is not intended to resolve any existing disagreements over how to interpret the relationship between the Interstate Horseracing Act and other Federal statutes.

(E) INTERMEDIATE ROUTING.—The intermediate routing of electronic data shall not determine the location or locations in which a bet or wager is initiated, received, or otherwise made.

(11) OTHER TERMS.—

(A) CREDIT; CREDITOR; CREDIT CARD; AND CARD ISSUER.—The terms “credit”, “creditor”, “credit card”, and “card issuer” have the meanings given the terms in section 103 of the Truth in Lending Act (15 U.S.C. 1602).

(B) ELECTRONIC FUND TRANSFER.—The term “electronic fund transfer”—

(i) has the meaning given the term in section 903 of the Electronic Fund Transfer Act (15 U.S.C. 1693a), except that the term includes transfers that would otherwise be excluded under section 903(6)(E) of that Act; and

(ii) includes any fund transfer covered by Article 4A of the Uniform Commercial Code, as in effect in any State.

(C) FINANCIAL INSTITUTION.—The term “financial institution” has the meaning given the term in section 903 of the Electronic Fund Transfer Act, except that such term does not include a casino, sports book, or other business at or through which bets or wagers may be placed or received.

(D) INSURED DEPOSITORY INSTITUTION.—The term “insured depository institution”—

(i) has the meaning given the term in section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)); and

(ii) includes an insured credit union (as defined in section 101 of the Federal Credit Union Act).

(E) MONEY TRANSMITTING BUSINESS AND MONEY TRANSMITTING SERVICE.—The terms “money transmitting business” and “money transmitting service” have the meanings given the terms in section 5330(d) (determined without regard to any regulations prescribed by the Secretary thereunder).

(Added Pub. L. 109-347, title VIII, § 802(a), Oct. 13, 2006, 120 Stat. 1953.)

REFERENCES IN TEXT

Sections 3(a)(47) and 28(a) of the Securities Exchange Act of 1934, referred to in par. (1)(E)(i), (iv)(II), are classified to sections 78c(a)(47) and 78bb(a), respectively, of Title 15, Commerce and Trade.

The Commodity Exchange Act, referred to in par. (1)(E)(ii), (iv)(II), is act Sept. 21, 1922, ch. 369, 42 Stat. 998, which is classified generally to chapter 1 (§ 1 et seq.) of Title 7, Agriculture. Section 12(e) of the Act is classified to section 16(e) of Title 7. For complete classification of this Act to the Code, see section 1 of Title 7 and Tables.

The Interstate Horseracing Act of 1978, referred to in par. (10)(B)(iii)(I), (C)(iv)(I), (D)(i), (iii), is Pub. L. 95-515, Oct. 25, 1978, 92 Stat. 1811, which is classified generally to chapter 57 (§ 3001 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 3001 of Title 15 and Tables.

The Gambling Devices Transportation Act, referred to in par. (10)(B)(iii)(III), (C)(iv)(III), is act Jan. 2, 1951, ch. 1194, 64 Stat. 1134, which is classified generally to chapter 24 (§ 1171 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 1171 of Title 15 and Tables.

The Indian Gaming Regulatory Act, referred to in par. (10)(B)(iii)(IV), (C)(i), (iv)(IV), is Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, which is classified principally to chapter 29 (§ 2701 et seq.) of Title 25, Indians. For complete classification of this Act to the Code, see

Short Title note set out under section 2701 of Title 25 and Tables.

The date of the enactment of this subchapter, referred to in par. (10)(D)(iii), is the date of enactment of Pub. L. 109-347, which was approved Oct. 13, 2006.

Section 101 of the Federal Credit Union Act, referred to in par. (11)(D)(ii), is classified to section 1752 of Title 12, Banks and Banking.

§ 5363. Prohibition on acceptance of any financial instrument for unlawful Internet gambling

No person engaged in the business of betting or wagering may knowingly accept, in connection with the participation of another person in unlawful Internet gambling—

(1) credit, or the proceeds of credit, extended to or on behalf of such other person (including credit extended through the use of a credit card);

(2) an electronic fund transfer, or funds transmitted by or through a money transmitting business, or the proceeds of an electronic fund transfer or money transmitting service, from or on behalf of such other person;

(3) any check, draft, or similar instrument which is drawn by or on behalf of such other person and is drawn on or payable at or through any financial institution; or

(4) the proceeds of any other form of financial transaction, as the Secretary and the Board of Governors of the Federal Reserve System may jointly prescribe by regulation, which involves a financial institution as a payor or financial intermediary on behalf of or for the benefit of such other person.

(Added Pub. L. 109-347, title VIII, § 802(a), Oct. 13, 2006, 120 Stat. 1957.)

§ 5364. Policies and procedures to identify and prevent restricted transactions

(a) REGULATIONS.—Before the end of the 270-day period beginning on the date of the enactment of this subchapter, the Secretary and the Board of Governors of the Federal Reserve System, in consultation with the Attorney General, shall prescribe regulations (which the Secretary and the Board jointly determine to be appropriate) requiring each designated payment system, and all participants therein, to identify and block or otherwise prevent or prohibit restricted transactions through the establishment of policies and procedures reasonably designed to identify and block or otherwise prevent or prohibit the acceptance of restricted transactions in any of the following ways:

(1) The establishment of policies and procedures that—

(A) allow the payment system and any person involved in the payment system to identify restricted transactions by means of codes in authorization messages or by other means; and

(B) block restricted transactions identified as a result of the policies and procedures developed pursuant to subparagraph (A).

(2) The establishment of policies and procedures that prevent or prohibit the acceptance of the products or services of the payment system in connection with a restricted transaction.

(b) **REQUIREMENTS FOR POLICIES AND PROCEDURES.**—In prescribing regulations under subsection (a), the Secretary and the Board of Governors of the Federal Reserve System shall—

(1) identify types of policies and procedures, including nonexclusive examples, which would be deemed, as applicable, to be reasonably designed to identify and block or otherwise prevent or prohibit the acceptance of the products or services with respect to each type of restricted transaction;

(2) to the extent practical, permit any participant in a payment system to choose among alternative means of identifying and blocking, or otherwise preventing or prohibiting the acceptance of the products or services of the payment system or participant in connection with, restricted transactions;

(3) exempt certain restricted transactions or designated payment systems from any requirement imposed under such regulations, if the Secretary and the Board jointly find that it is not reasonably practical to identify and block, or otherwise prevent or prohibit the acceptance of, such transactions; and

(4) ensure that transactions in connection with any activity excluded from the definition of unlawful internet gambling in subparagraph (B), (C), or (D)(i) of section 5362(10) are not blocked or otherwise prevented or prohibited by the prescribed regulations.

(c) **COMPLIANCE WITH PAYMENT SYSTEM POLICIES AND PROCEDURES.**—A financial transaction provider shall be considered to be in compliance with the regulations prescribed under subsection (a) if—

(1) such person relies on and complies with the policies and procedures of a designated payment system of which it is a member or participant to—

(A) identify and block restricted transactions; or

(B) otherwise prevent or prohibit the acceptance of the products or services of the payment system, member, or participant in connection with restricted transactions; and

(2) such policies and procedures of the designated payment system comply with the requirements of regulations prescribed under subsection (a).

(d) **NO LIABILITY FOR BLOCKING OR REFUSING TO HONOR RESTRICTED TRANSACTIONS.**—A person that identifies and blocks a transaction, prevents or prohibits the acceptance of its products or services in connection with a transaction, or otherwise refuses to honor a transaction—

(1) that is a restricted transaction;

(2) that such person reasonably believes to be a restricted transaction; or

(3) as a designated payment system or a member of a designated payment system in reliance on the policies and procedures of the payment system, in an effort to comply with regulations prescribed under subsection (a),

shall not be liable to any party for such action.

(e) **REGULATORY ENFORCEMENT.**—The requirements under this section shall be enforced exclusively by—

(1) the Federal functional regulators, with respect to the designated payment systems

and financial transaction providers subject to the respective jurisdiction of such regulators under section 505(a) of the Gramm-Leach-Bliley Act and section 5g of the Commodities Exchange Act; and

(2) the Federal Trade Commission, with respect to designated payment systems and financial transaction providers not otherwise subject to the jurisdiction of any Federal functional regulators (including the Commission) as described in paragraph (1).

(Added Pub. L. 109-347, title VIII, § 802(a), Oct. 13, 2006, 120 Stat. 1958.)

REFERENCES IN TEXT

The date of the enactment of this subchapter, referred to in subsec. (a), is the date of enactment of Pub. L. 109-347, which was approved Oct. 13, 2006.

Section 505(a) of the Gramm-Leach-Bliley Act, referred to in subsec. (e)(1), is classified to section 6805(a) of Title 15, Commerce and Trade.

Section 5g of the Commodities Exchange Act, referred to in subsec. (e)(1), is classified to section 7b-2 of Title 7, Agriculture.

§ 5365. Civil remedies

(a) **JURISDICTION.**—In addition to any other remedy under current law, the district courts of the United States shall have original and exclusive jurisdiction to prevent and restrain restricted transactions by issuing appropriate orders in accordance with this section, regardless of whether a prosecution has been initiated under this subchapter.

(b) **PROCEEDINGS.**—

(1) **INSTITUTION BY FEDERAL GOVERNMENT.**—

(A) **IN GENERAL.**—The United States, acting through the Attorney General, may institute proceedings under this section to prevent or restrain a restricted transaction.

(B) **RELIEF.**—Upon application of the United States under this paragraph, the district court may enter a temporary restraining order, a preliminary injunction, or an injunction against any person to prevent or restrain a restricted transaction, in accordance with rule 65 of the Federal Rules of Civil Procedure.

(2) **INSTITUTION BY STATE ATTORNEY GENERAL.**—

(A) **IN GENERAL.**—The attorney general (or other appropriate State official) of a State in which a restricted transaction allegedly has been or will be initiated, received, or otherwise made may institute proceedings under this section to prevent or restrain the violation or threatened violation.

(B) **RELIEF.**—Upon application of the attorney general (or other appropriate State official) of an affected State under this paragraph, the district court may enter a temporary restraining order, a preliminary injunction, or an injunction against any person to prevent or restrain a restricted transaction, in accordance with rule 65 of the Federal Rules of Civil Procedure.

(3) **INDIAN LANDS.**—

(A) **IN GENERAL.**—Notwithstanding paragraphs (1) and (2), for a restricted transaction that allegedly has been or will be ini-

tiated, received, or otherwise made on Indian lands (as that term is defined in section 4 of the Indian Gaming Regulatory Act)—

(i) the United States shall have the enforcement authority provided under paragraph (1); and

(ii) the enforcement authorities specified in an applicable Tribal-State Compact negotiated under section 11 of the Indian Gaming Regulatory Act (25 U.S.C. 2710) shall be carried out in accordance with that compact.

(B) RULE OF CONSTRUCTION.—No provision of this section shall be construed as altering, superseding, or otherwise affecting the application of the Indian Gaming Regulatory Act.

(c) LIMITATION RELATING TO INTERACTIVE COMPUTER SERVICES.—

(1) IN GENERAL.—Relief granted under this section against an interactive computer service shall—

(A) be limited to the removal of, or disabling of access to, an online site violating section 5363, or a hypertext link to an online site violating such section, that resides on a computer server that such service controls or operates, except that the limitation in this subparagraph shall not apply if the service is subject to liability under this section under section 5367;

(B) be available only after notice to the interactive computer service and an opportunity for the service to appear are provided;

(C) not impose any obligation on an interactive computer service to monitor its service or to affirmatively seek facts indicating activity violating this subchapter;

(D) specify the interactive computer service to which it applies; and

(E) specifically identify the location of the online site or hypertext link to be removed or access to which is to be disabled.

(2) COORDINATION WITH OTHER LAW.—An interactive computer service that does not violate this subchapter shall not be liable under section 1084(d) of title 18, except that the limitation in this paragraph shall not apply if an interactive computer service has actual knowledge and control of bets and wagers and—

(A) operates, manages, supervises, or directs an Internet website at which unlawful bets or wagers may be placed, received, or otherwise made or at which unlawful bets or wagers are offered to be placed, received, or otherwise made; or

(B) owns or controls, or is owned or controlled by, any person who operates, manages, supervises, or directs an Internet website at which unlawful bets or wagers may be placed, received, or otherwise made, or at which unlawful bets or wagers are offered to be placed, received, or otherwise made.

(d) LIMITATION ON INJUNCTIONS AGAINST REGULATED PERSONS.—Notwithstanding any other provision of this section, and subject to section 5367, no provision of this subchapter shall be construed as authorizing the Attorney General

of the United States, or the attorney general (or other appropriate State official) of any State to institute proceedings to prevent or restrain a restricted transaction against any financial transaction provider, to the extent that the person is acting as a financial transaction provider.

(Added Pub. L. 109-347, title VIII, § 802(a), Oct. 13, 2006, 120 Stat. 1959.)

REFERENCES IN TEXT

Rule 65 of the Federal Rules of Civil Procedure, referred to in subsec. (b)(1)(B), (2)(B), is set out in the Appendix to Title 28, Judiciary and Judicial Procedure.

The Indian Gaming Regulatory Act, referred to in subsec. (b)(3), is Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, which is classified principally to chapter 29 (§2701 et seq.) of Title 25, Indians. Section 4 of the Act is classified to section 2703 of Title 25. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of Title 25 and Tables.

§ 5366. Criminal penalties

(a) IN GENERAL.—Any person who violates section 5363 shall be fined under title 18, imprisoned for not more than 5 years, or both.

(b) PERMANENT INJUNCTION.—Upon conviction of a person under this section, the court may enter a permanent injunction enjoining such person from placing, receiving, or otherwise making bets or wagers or sending, receiving, or inviting information assisting in the placing of bets or wagers.

(Added Pub. L. 109-347, title VIII, § 802(a), Oct. 13, 2006, 120 Stat. 1961.)

§ 5367. Circumventions prohibited

Notwithstanding section 5362(2), a financial transaction provider, or any interactive computer service or telecommunications service, may be liable under this subchapter if such person has actual knowledge and control of bets and wagers, and—

(1) operates, manages, supervises, or directs an Internet website at which unlawful bets or wagers may be placed, received, or otherwise made, or at which unlawful bets or wagers are offered to be placed, received, or otherwise made; or

(2) owns or controls, or is owned or controlled by, any person who operates, manages, supervises, or directs an Internet website at which unlawful bets or wagers may be placed, received, or otherwise made, or at which unlawful bets or wagers are offered to be placed, received, or otherwise made.

(Added Pub. L. 109-347, title VIII, § 802(a), Oct. 13, 2006, 120 Stat. 1961.)

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¹ So in original. Probably should be capitalized.