

108TH CONGRESS  
1ST SESSION

# S. 1813

To prohibit profiteering and fraud relating to military action, relief, and reconstruction efforts in Iraq, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 3, 2003

Mr. LEAHY (for himself, Mrs. FEINSTEIN, Mr. DURBIN, and Mrs. CLINTON) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

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## A BILL

To prohibit profiteering and fraud relating to military action, relief, and reconstruction efforts in Iraq, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “War Profiteering Pre-  
5 vention Act of 2003”.

6 **SEC. 2. PROHIBITION OF PROFITEERING.**

7 (a) PROHIBITION.—

1           (1) IN GENERAL.—Chapter 47 of title 18,  
2           United States Code, is amended by adding at the  
3           end the following:

4   **“§ 1037. War profiteering and fraud relating to mili-**  
5                   **tary action, relief, and reconstruction ef-**  
6                   **forts in Iraq**

7           “(a) PROHIBITION.—

8                   “(1) IN GENERAL.—Whoever, in any matter in-  
9           volving a contract or the provision of goods or serv-  
10          ices, directly or indirectly, in connection with the  
11          war, military action, or relief or reconstruction ac-  
12          tivities in Iraq, knowingly and willfully—

13                   “(A) executes or attempts to execute a  
14           scheme or artifice to defraud the United States  
15           or Iraq;

16                   “(B) falsifies, conceals, or covers up by  
17           any trick, scheme, or device a material fact;

18                   “(C) makes any materially false, fictitious,  
19           or fraudulent statements or representations, or  
20           makes or uses any materially false writing or  
21           document knowing the same to contain any ma-  
22           terially false, fictitious, or fraudulent statement  
23           or entry; or

24                   “(D) materially overvalues any good or  
25           service with the specific intent to excessively

1 profit from the war, military action, or relief or  
2 reconstruction activities in Iraq;  
3 shall be fined under paragraph (2), imprisoned not  
4 more than 20 years, or both.

5 “(2) FINE.—A person convicted of an offense  
6 under paragraph (1) may be fined the greater of—

7 “(A) \$1,000,000; or

8 “(B) if such person derives profits or other  
9 proceeds from the offense, not more than twice  
10 the gross profits or other proceeds.

11 “(b) EXTRATERRITORIAL JURISDICTION.—There is  
12 extraterritorial Federal jurisdiction over an offense under  
13 this section.

14 “(c) VENUE.—A prosecution for an offense under  
15 this section may be brought—

16 “(1) as authorized by chapter 211 of this title;

17 “(2) in any district where any act in further-  
18 ance of the offense took place; or

19 “(3) in any district where any party to the con-  
20 tract or provider of goods or services is located.”.

21 (2) TABLE OF SECTIONS.—The table of sections  
22 for chapter 47 of title 18, United States Code, is  
23 amended by adding at the end the following:

“1037. War profiteering and fraud relating to military action, relief, and recon-  
struction efforts in Iraq.”.

1           (b) EXPIRATION OF AUTHORITIES.—The authorities  
2 provided for under this Act shall expire upon the date that  
3 major combat operations in Iraq cease and desist, the Coa-  
4 lition Provisional Authority transfers responsibility for  
5 governing Iraq to an indigenous Iraqi government, and a  
6 United States mission to Iraq, under the direction and  
7 guidance of the Secretary of State, is responsible for  
8 United States assistance efforts in Iraq. This subsection  
9 shall not limit or repeal any additional authorities pro-  
10 vided by law.

11           (c) CIVIL FORFEITURE.—Section 981(a)(1)(C) of  
12 title 18, United States Code, is amended by inserting  
13 “1037” after “1032”.

14           (d) CRIMINAL FORFEITURE.—Section 982(a)(2)(B)  
15 of title 18, United States Code, is amended by striking  
16 “or 1030” and inserting “1030, or 1032”.

17           (e) HEADER.—Section 1956(c)(7)(D) of title 18,  
18 United States Code, is amended by inserting the following:  
19 “, section 1037 (relating to war profiteering and fraud re-  
20 lating to military action, relief, and reconstruction efforts  
21 in Iraq)” after “liquidating agent of financial institu-  
22 tion),”.

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