

To combat terrorism financing, and for other purposes.

JUNE 21, 2005

Ms. HART introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

To combat terrorism financing, 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,*

4 This Act may be cited as the “Combating Terrorism
5 Financing Act of 2005”.

Section 206 of the International Emergency Eco-
nomic Powers Act (50 U.S.C. 1705) is amended—

1 (1) in subsection (a), by deleting “\$10,000”
2 and inserting “\$50,000”; and

3 (2) in subsection (b), by deleting “ten years”
4 and inserting “twenty years”.

5 **SEC. 3. TERRORISM-RELATED SPECIFIED ACTIVITIES FOR**
6 **MONEY LAUNDERING.**

7 (a) AMENDMENTS TO RICO.—Section 1961(1) of
8 title 18, United States Code, is amended—

9 (1) in subparagraph (B), by inserting “section
10 1960 (relating to illegal money transmitters),” be-
11 fore “sections 2251”; and

12 (2) in subparagraph (F), by inserting “section
13 274A (relating to unlawful employment of aliens),”
14 before “section 277”.

15 (b) AMENDMENTS TO SECTION 1956(c)(7).—Section
16 1956(c)(7)(D) of title 18, United States Code, is amended
17 by—

18 (1) inserting “, or section 2339C (relating to fi-
19 nancing of terrorism)” before “of this title”; and

20 (2) striking “or any felony violation of the For-
21 eign Corrupt Practices Act” and inserting “any fel-
22 ony violation of the Foreign Corrupt Practices Act,
23 or any violation of section 208 of the Social Security
24 Act (relating to obtaining funds through misuse of
25 a social security number)”.

1 (c) CONFORMING AMENDMENTS TO SECTIONS
2 1956(e) AND 1957(e).—

3 (1) Section 1956(e) of title 18, United States
4 Code, is amended to read as follows:

5 “(e) Violations of this section may be investigated by
6 such components of the Department of Justice as the At-
7 torney General may direct, and by such components of the
8 Department of the Treasury as the Secretary of the Treas-
9 ury may direct, as appropriate, and, with respect to of-
10 fenses over which the Department of Homeland Security
11 has jurisdiction, by such components of the Department
12 of Homeland Security as the Secretary of Homeland Secu-
13 rity may direct, and, with respect to offenses over which
14 the United States Postal Service has jurisdiction, by the
15 Postal Service. Such authority of the Secretary of the
16 Treasury, the Secretary of Homeland Security, and the
17 Postal Service shall be exercised in accordance with an
18 agreement which shall be entered into by the Secretary
19 of the Treasury, the Secretary of Homeland Security, the
20 Postal Service, and the Attorney General. Violations of
21 this section involving offenses described in paragraph
22 (c)(7)(E) may be investigated by such components of the
23 Department of Justice as the Attorney General may di-
24 rect, and the National Enforcement Investigations Center
25 of the Environmental Protection Agency.”.

1 (2) Section 1957(e) of title 18, United States
2 Code, is amended to read as follows:

3 “(e) Violations of this section may be investigated by
4 such components of the Department of Justice as the At-
5 torney General may direct, and by such components of the
6 Department of the Treasury as the Secretary of the Treas-
7 ury may direct, as appropriate, and, with respect to of-
8 fenses over which the Department of Homeland Security
9 has jurisdiction, by such components of the Department
10 of Homeland Security as the Secretary of Homeland Secu-
11 rity may direct, and, with respect to offenses over which
12 the United States Postal Service has jurisdiction, by the
13 Postal Service. Such authority of the Secretary of the
14 Treasury, the Secretary of Homeland Security, and the
15 Postal Service shall be exercised in accordance with an
16 agreement which shall be entered into by the Secretary
17 of the Treasury, the Secretary of Homeland Security, the
18 Postal Service, and the Attorney General.”.

19 **SEC. 4. ASSETS OF PERSONS COMMITTING TERRORIST**
20 **ACTS AGAINST FOREIGN COUNTRIES OR**
21 **INTERNATIONAL ORGANIZATIONS.**

22 Section 981(a)(1)(G) of title 18, United States Code,
23 is amended—

24 (1) by striking “or” at the end of clause (ii);

1 (2) by striking the period at the end of clause
2 (iii) and inserting “; or”; and

3 (3) by inserting the following after clause (iii):

4 “(iv) of any individual, entity, or or-
5 ganization engaged in planning or perpe-
6 trating any act of international terrorism
7 (as defined in section 2331) against any
8 international organization (as defined in
9 section 209 of the State Department Basic
10 Authorities Act of 1956 (22 U.S.C.
11 4309(b)) or against any foreign Govern-
12 ment. Where the property sought for for-
13 feiture is located beyond the territorial
14 boundaries of the United States, an act in
15 furtherance of such planning or perpetra-
16 tion must have occurred within the juris-
17 diction of the United States.”.

18 **SEC. 5. MONEY LAUNDERING THROUGH HAWALAS.**

19 Section 1956 of title 18, United States Code, is
20 amended by adding at the end the following:

21 “(j)(1) For the purposes of subsections (a)(1) and
22 (a)(2), a transaction, transportation, transmission, or
23 transfer of funds shall be considered to be one involving
24 the proceeds of specified unlawful activity, if the trans-
25 action, transportation, transmission, or transfer is part of

1 a set of parallel or dependent transactions, any one of
 2 which involves the proceeds of specified unlawful activity.

3 “(2) As used in this section, a ‘dependent trans-
 4 action’ is one that completes or complements another
 5 transaction or one that would not have occurred but for
 6 another transaction.”.

7 **SEC. 6. TECHNICAL AND CONFORMING AMENDMENTS RE-**
 8 **LATING TO THE USA PATRIOT ACT.**

9 (a) TECHNICAL CORRECTIONS.—

10 (1) Section 322 of Public Law 107–56 is
 11 amended by striking “title 18” and inserting “title
 12 28”.

13 (2) Section 5332(a)(1) of title 31, United
 14 States Code, is amended by striking “article of lug-
 15 gage” and inserting “article of luggage or mail”.

16 (3) Section 1956(b)(3) and (4) of title 18,
 17 United States Code, are amended by striking “de-
 18 scribed in paragraph (2)” each time it appears.

19 (4) Section 981(k) of title 18, United States
 20 Code, is amended by striking “foreign bank” each
 21 time it appears and inserting “foreign bank or fi-
 22 nancial institution”.

23 (b) CODIFICATION OF SECTION 316 OF THE USA
 24 PATRIOT ACT.—

1 (1) Chapter 46 of title 18, United States Code,
2 is amended—

3 (A) by inserting at the end the following:

4 **“§ 987. Anti-terrorist forfeiture protection**

5 “(a) RIGHT TO CONTEST.—An owner of property
6 that is confiscated under this chapter or any other provi-
7 sion of law relating to the confiscation of assets of sus-
8 pected international terrorists, may contest that confisca-
9 tion by filing a claim in the manner set forth in the Fed-
10 eral Rules of Civil Procedure (Supplemental Rules for Cer-
11 tain Admiralty and Maritime Claims), and asserting as an
12 affirmative defense that—

13 “(1) the property is not subject to confiscation
14 under such provision of law; or

15 “(2) the innocent owner provisions of section
16 983(d) apply to the case.

17 “(b) EVIDENCE.—In considering a claim filed under
18 this section, a court may admit evidence that is otherwise
19 inadmissible under the Federal Rules of Evidence, if the
20 court determines that the evidence is reliable, and that
21 compliance with the Federal Rules of Evidence may jeop-
22 ardize the national security interests of the United States.

23 “(c) CLARIFICATIONS.—

24 “(1) PROTECTION OF RIGHTS.—The exclusion
25 of certain provisions of Federal law from the defini-

1 tion of the term ‘civil forfeiture statute’ in section
 2 983(i) shall not be construed to deny an owner of
 3 property the right to contest the confiscation of as-
 4 sets of suspected international terrorists under—

5 “(A) subsection (a) of this section;

6 “(B) the Constitution; or

7 “(C) subchapter II of chapter 5 of title 5,
 8 United States Code (commonly known as the
 9 ‘Administrative Procedure Act’).

10 “(2) SAVINGS CLAUSE.—Nothing in this section
 11 shall limit or otherwise affect any other remedies
 12 that may be available to an owner of property under
 13 section 983 or any other provision of law.”; and

14 (B) in the chapter analysis, by inserting at
 15 the end the following:

“987. Anti-terrorist forfeiture protection.”.

16 (2) Subsections (a), (b), and (c) of section 316
 17 of Public Law 107–56 are repealed.

18 (c) CONFORMING AMENDMENTS CONCERNING CON-
 19 SPIRACIES.—

20 (1) Section 33(a) of title 18, United States
 21 Code is amended by inserting “or conspires” before
 22 “to do any of the aforesaid acts”.

23 (2) Section 1366(a) of title 18, United States
 24 Code, is amended—

1 (A) by striking “attempts” each time it ap-
 2 pears and inserting “attempts or conspires”;
 3 and

4 (B) by inserting “, or if the object of the
 5 conspiracy had been achieved,” after “the at-
 6 tempted offense had been completed”.

7 **SEC. 7. TECHNICAL CORRECTIONS TO FINANCING OF TER-**
 8 **RORISM STATUTE.**

9 Section 2332b(g)(5)(B) of title 18, United States
 10 Code, is amended by inserting “)” after “2339C (relating
 11 to financing of terrorism”.

12 **SEC. 8. CROSS REFERENCE CORRECTION.**

13 Section 5318(n)(4)(A) of title 31, United States
 14 Code, is amended by striking “National Intelligence Re-
 15 form Act of 2004” and inserting “Intelligence Reform and
 16 Terrorism Prevention Act of 2004”.

17 **SEC. 9. AMENDMENT TO AMENDATORY LANGUAGE.**

18 Section 6604 of the Intelligence Reform and Ter-
 19 rorism Prevention Act of 2004 is amended [,effective on
 20 the date of the enactment of that Act]—

21 (1) by striking “Section 2339c(c)(2)” and in-
 22 serting “Section 2339C(c)(2)”; and

23 (2) by striking “Section 2339c(e)” and insert-
 24 ing “Section 2339C(e)”.

1 **SEC. 10. DESIGNATION OF ADDITIONAL MONEY LAUN-**
2 **DERING PREDICATE.**

3 Section 1956(c)(7)(D) of title 18, United States
4 Code, is amended—

5 (1) by inserting “, or section 2339D (relating
6 to receiving military-type training from a foreign
7 terrorist organization)” after “section 2339A or
8 2339B (relating to providing material support to
9 terrorists)”; and

10 (2) by striking “or” before “section 2339A or
11 2339B”.

○