

104TH CONGRESS
2D SESSION

H. R. 3007

To establish an interagency task force to design and implement a plan for determining the extent to which United States currency is held in foreign countries and estimating the extent to which such currency is being counterfeited outside the United States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 5, 1996

Mr. BACHUS (for himself, Mr. LEACH, and Mr. SPRATT) introduced the following bill; which was referred to the Committee on Banking and Financial Services, and in addition to the Committee on the Judiciary, 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

A BILL

To establish an interagency task force to design and implement a plan for determining the extent to which United States currency is held in foreign countries and estimating the extent to which such currency is being counterfeited outside the United States, 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 “International Counter-
5 feiting Prevention Act of 1996”.

1 **SEC. 2. INTERAGENCY TASK FORCE ON INTERNATIONAL**
2 **COUNTERFEITING OF UNITED STATES CUR-**
3 **RENCY.**

4 (a) ESTABLISHMENT.—

5 (1) IN GENERAL.—The Secretary of the Treas-
6 ury, the Chairman of the Board of Governors of the
7 Federal Reserve System, and the Secretary of State
8 shall establish, and appoint the members of, an
9 interagency task force (hereafter in this Act referred
10 to as the “task force”) to—

11 (A) monitor the use and holding of United
12 States currency in foreign countries;

13 (B) produce a statistically valid estimate of
14 the amount of counterfeit United States cur-
15 rency that is produced, passed, and possessed
16 outside the United States each year; and

17 (C) coordinate the activities of the agencies
18 represented on the task force in carrying out
19 the duties described in subparagraphs (A) and
20 (B).

21 (2) COMPOSITION OF TASK FORCE.—The task
22 force shall consist of the following:

23 (A) The Under Secretary of the Treasury
24 for Enforcement, or a designee of the Under
25 Secretary.

1 (B) The Director of the United States Se-
2 cret Service, or a designee of the Director.

3 (C) The Director of the Bureau of Engrav-
4 ing and Printing, or a designee of the Director.

5 (D) Such other officers of the Department
6 of the Treasury, including any officer in any
7 bureau, office, or service within the department,
8 as the Secretary of the Treasury may determine
9 to be appropriate, or any designee of any such
10 officer.

11 (E) A member of the Board of Governors
12 of the Federal Reserve System as designated by
13 the Chairman of such Board, or a designee of
14 such member.

15 (F) The general counsel of the Board of
16 Governors of the Federal Reserve System, or a
17 designee of the general counsel.

18 (G) Such other officers of the Board of
19 Governors of the Federal Reserve System as the
20 Chairman of such Board may determine to be
21 appropriate, or a designee of any such officer.

22 (H) Such officers of the Department of
23 State as the Secretary of State may determine
24 to be appropriate, or a designee of any such of-
25 ficer.

1 (3) REPRESENTATION OF OTHER AGENCIES
2 AND DEPARTMENTS.—

3 (A) IN GENERAL.—The Secretary of the
4 Treasury, the Chairman of the Board of Gov-
5 ernors of the Federal Reserve System, and the
6 Secretary of State may include representatives
7 of any other agency or department of the Unit-
8 ed States on the task force, with the concur-
9 rence of the head of such agency or depart-
10 ment.

11 (B) APPOINTMENT OF MEMBERS OF TASK
12 FORCE.—The representative of any agency or
13 department referred to in subparagraph (A)
14 shall consist of—

15 (i) the head of such agency or depart-
16 ment, or a designee of such head; and

17 (ii) such other officers of such agency
18 or department as the head of such agency
19 or department may determine to be appro-
20 priate, or a designee of any such officer.

21 (4) CHAIRPERSON.—The Secretary of the
22 Treasury shall serve as the chairperson of the task
23 force.

24 (b) EVALUATION AUDIT PLAN.—

1 (1) IN GENERAL.—The task force shall estab-
2 lish an effective international evaluation audit plan
3 that is designed to enable the agencies represented
4 on the task force to carry out the duties described
5 in subparagraphs (A) and (B) of subsection (a)(1)
6 on a regular and thorough basis.

7 (2) SUBMISSION OF DETAILED WRITTEN SUM-
8 MARY.—The task force shall submit a detailed writ-
9 ten summary of the evaluation audit plan developed
10 pursuant to paragraph (1) to the Congress before
11 the end of the 6-month period beginning on the date
12 of the enactment of this Act.

13 (3) 1ST EVALUATION AUDIT UNDER PLAN.—
14 The task force shall begin the first evaluation audit
15 pursuant to the evaluation audit plan no later than
16 the end of the 1-year period beginning on the date
17 of the enactment of this Act.

18 (4) SUBSEQUENT EVALUATION AUDITS.—At
19 least 1 evaluation audit shall be performed pursuant
20 to the evaluation audit plan during each 2-year pe-
21 riod beginning after the date of the commencement
22 of the evaluation audit referred to in paragraph (3).

23 (c) REPORTS.—

24 (1) IN GENERAL.—The task force shall submit
25 a written report to the Committee on Banking and

1 Financial Services of the House of Representatives
2 and the Committee on Banking, Housing, and
3 Urban Affairs of the Senate on the results of each
4 evaluation audit conducted pursuant to subsection
5 (b) within 90 days after the completion of the eval-
6 uation audit.

7 (2) CONTENTS.—In addition to such other in-
8 formation as the task force may determine to be ap-
9 propriate, each report submitted to the Congress
10 pursuant to paragraph (1) shall include the follow-
11 ing information:

12 (A) A detailed description of the evaluation
13 audit process and the methods used to detect
14 counterfeit currency.

15 (B) The method used to determine the cur-
16 rency sample examined in connection with the
17 evaluation audit and an analysis of the statis-
18 tical significance of the sample examined.

19 (C) A list of the countries, types of finan-
20 cial institutions, and other entities included.

21 (D) The total amount of United States
22 currency and the total quantity of each denomi-
23 nation found at each type of evaluation audit
24 site.

1 (E) The total amount of counterfeit United
2 States currency and the total quantity of each
3 counterfeit denomination found at each type of
4 evaluation audit site.

5 (F) An analysis of the types of counterfeit
6 currency discovered and any recurring patterns
7 of counterfeiting, including currency that fits
8 the family of counterfeit currency designated by
9 the United States Secret Service as C—14342.

10 (3) CLASSIFICATION OF INFORMATION.—

11 (A) IN GENERAL.—To the greatest extent
12 possible, each report submitted to the Congress
13 under this subsection shall be submitted in an
14 unclassified form.

15 (B) CLASSIFIED AND UNCLASSIFIED
16 FORMS.—If, in the interest of submitting a
17 complete report under this subsection, the task
18 force determines that it is necessary to include
19 classified information in the report, the report
20 shall be submitted in a classified and an unclas-
21 sified form.

1 **SEC. 3. LAW ENFORCEMENT AND SENTENCING PROVISIONS**
2 **RELATING TO INTERNATIONAL COUNTER-**
3 **FEITING OF UNITED STATES CURRENCY.**

4 (a) FINDINGS.—The Congress hereby finds the fol-
5 lowing:

6 (1) United States currency is being counter-
7 feited outside the United States.

8 (2) The 103d Congress enacted, with the ap-
9 proval of the President on September 13, 1994, sec-
10 tion 470 of title 18, United States Code, making
11 such activity a crime under the laws of the United
12 States.

13 (3) The expeditious posting of agents of the
14 United States Secret Service to overseas posts,
15 which is necessary for the effective enforcement of
16 section 470 and related criminal provisions, has been
17 delayed.

18 (4) While section 470 of title 18, United States
19 Code, provides for a maximum term of imprisonment
20 of 20 years as opposed to a maximum term of 15
21 years for domestic counterfeiting, the United States
22 Sentencing Commission has failed to provide, in its
23 sentencing guidelines, for an appropriate enhance-
24 ment of punishment for defendants convicted of
25 counterfeiting United States currency outside the
26 United States.

1 (b) TIMELY CONSIDERATION OF REQUESTS FOR
2 CONCURRENCE IN CREATION OF OVERSEAS POSTS.—

3 (1) IN GENERAL.—The Secretary of State
4 shall—

5 (A) consider in a timely manner the re-
6 quest by the Secretary of the Treasury for the
7 placement of such number of agents of the
8 United States Secret Service as the Secretary of
9 the Treasury considers appropriate in posts in
10 overseas embassies; and

11 (B) reach an agreement with the Secretary
12 of the Treasury on such posts as soon as pos-
13 sible and, in any event, not later than Decem-
14 ber 31, 1996.

15 (2) COOPERATION OF TREASURY REQUIRED.—
16 The Secretary of the Treasury shall promptly pro-
17 vide any information requested by the Secretary of
18 State in connection with such requests.

19 (3) REPORTS REQUIRED.—The Secretary of the
20 Treasury and the Secretary of State shall each sub-
21 mit, by February 1, 1997, a written report to the
22 Committee on Banking and Financial Services of the
23 House of Representatives and the Committee on
24 Banking, Housing, and Urban Affairs of the Senate
25 explaining the reasons for the rejection, if any, of

1 any proposed post and the reasons for the failure, if
2 any, to fill any approved post by such date.

3 (c) ENHANCED PENALTIES FOR INTERNATIONAL
4 COUNTERFEITING OF UNITED STATES CURRENCY.—Pur-
5 suant to the authority of the United States Sentencing
6 Commission under section 994 of title 28, United States
7 Code, the Commission shall amend the sentencing guide-
8 lines prescribed by the Commission to provide an appro-
9 priate enhancement of the punishment for a defendant
10 convicted under section 470 of title 18 of such Code.

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