

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”.