

## **Title XV: Annunzio-Wylie Anti-Money Laundering Act**

### **Subtitle A: Termination of Charters, Insurance, and Offices**

Amends the Federal Deposit Insurance Act and the Federal Credit Union Act to authorize the Federal Deposit Insurance Corporation and the Federal Credit Union Administration Board to accept conservatorship or receivership of an institution under their respective jurisdictions upon written notification by the Attorney General that it has been found guilty of certain money laundering offense.

Amends the Revised Statutes, the Home Owners' Loan Act, and the Federal Credit Union Act to prescribe guidelines for the revocation of depository institutions' charters and the forfeiture of their franchises upon conviction for money laundering offenses or cash transaction reporting offenses.

Amends the Federal Deposit Insurance Act and the Federal Credit Union Act to prescribe guidelines:

- (1) for the termination of the insured status of State depository institutions, including State chartered credit unions, convicted of money laundering or cash transaction reporting offenses; and
- (2) to authorize the removal of any party from office, or its suspension from participation in the affairs of the institution, if the party is determined to have committed certain currency reporting violations or money laundering violations.

Amends Federal law regarding monetary transactions to authorize the Secretary of the Treasury to make information in monetary transaction reports available to any State financial institutions regulatory agency upon its request.

Amends the International Banking Act of 1978 to direct the Board of Governors of the Federal Reserve System to issue a notice of its intention to commence a termination proceeding upon written notification from the Attorney General that the State branch or agency of a foreign bank has been convicted of a money laundering offenses.

### **Subtitle B: Nonbank Financial Institutions and General Provisions**

Amends Federal law regarding monetary transactions to direct the Secretary of the Treasury to:

- (1) prescribe regulations requiring each depository institution to file identification reports regarding certain financial institution customers; and
- (2) make such reports available to State financial institution supervisory agencies for supervisory purposes. Sets forth civil money penalties for financial institution identification violations.

Amends the Federal criminal code to establish criminal penalties for persons participating in an illegal money transmitting business.

Prohibits a financial institution or its personnel from disclosing the existence of a Federal information targeting order, except as prescribed by the Secretary.

Amends the Federal Deposit Insurance Act to direct the Secretary and the Board of Governors of the Federal Reserve System (the Board) to jointly prescribe regulations requiring insured depository institutions and businesses involved in domestic and international funds transfers to maintain records of certain kinds of payment orders as will have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings.

Amends the Right to Financial Privacy Act to provide that financial records transferred by a regulatory agency to the Secretary of the Treasury for possible criminal violations shall be used only for criminal investigative or prosecutive purposes relating to money laundering by the Department of the Treasury.

Prohibits a financial institution or associated personnel from disclosing the fact to any person that it is the subject of information provided to Federal officials concerning possible Federal violations or suspicious transactions.

Authorizes the Secretary to require financial institutions to implement programs to guard against money laundering through financial institutions.

Requires the Secretary and the Attorney General to jointly establish an anti-money laundering training team to assist foreign governments and agencies to expand their capabilities for investigating and prosecuting money laundering violations.

Amends the Foreign Assistance Act of 1961 regarding international narcotics control to require the President to include in his annual International Narcotics Control Strategy Report to certain congressional committees:

- (1) the status of certain cooperative efforts between the United States and countries identified as major money laundering centers;
- (2) findings on such countries' adoption of laws and regulations considered essential to prevent narcotics-related money laundering;
- (3) instances of refusal by such countries to cooperate with foreign governments and the U.S. response (including any sanctions or penalties); and
- (4) information on bilateral and multilateral strategies pursued by certain Federal agencies to ensure the cooperation of foreign governments with respect to narcotics-related money laundering, and to demonstrate that all Federal agencies are pursuing a common strategy with respect to major money laundering countries.

### **Subtitle C: Money Laundering Enforcement Improvements**

Amends the judicial code to confer jurisdiction upon Federal district courts in cases of property subject to civil forfeiture under Federal laws but either located in a foreign

country or seized pursuant to foreign legal process.

Amends Federal criminal law to preclude the use of certain defenses in civil forfeiture actions with respect to fungible property that is in the form of cash or specified monetary instruments.

Outlines the procedure to subpoena bank records.

Amends Federal law relating to international monetary instrument transaction reporting requirements to prohibit:

- (1) failure to file the requisite reports;
- (2) filing material omissions or misstatements of facts in such reports; and
- (3) participation in structuring any importation or exportation of monetary instruments.

Makes the penalty for conspiracy to commit a money laundering offense the same as the penalty for the substantive offense itself.

Amends the Right to Financial Privacy Act of 1978 to prohibit certain personnel connected with a financial institution from disclosing the existence of a grand jury subpoena to a person named in such subpoena for bank records related to money laundering and controlled substance investigations.

Amends Federal criminal law to repeal the restriction placed upon the Secretary of the Treasury and the Postal Service regarding the disposal of forfeited property. Includes among money laundering predicate offenses certain food stamp fraud and any felony violation of the Foreign Corrupt Practices Act.

Amends specified Federal laws to establish civil penalties for willfully causing violations of regulations regarding:

- (1) foreign financial agency transactions; and
- (2) certain financial recordkeeping requirements.

Amends Federal criminal law to redefine "specified unlawful activity" to mean, with respect to a financial transaction occurring wholly or partly in the United States, an offense against a foreign nation involving kidnaping, robbery, or extortion or fraud, or any scheme or attempt to defraud, by or against a foreign bank.

#### **Subtitle D: Reports and Miscellaneous**

Directs the Attorney General to study and report to the Congress on the effect of allowing reimbursement to financial institutions for assembling or providing financial records of entities not currently covered under the Right to Financial Privacy Act. Requires the study to analyze the effect of allowing nondepositor licensed transmitters of funds to be reimbursed to the same extent as financial institutions.

Requires the Attorney General, the Secretary of the Treasury, and the head of any other Federal agency or instrumentality to disclose to the appropriate Federal banking agency any information raising significant concerns regarding the safety and soundness of any depository institution doing business in the United States. Provides for special disclosure procedures in the case of intelligence information or information regarding certain civil or criminal matters under the Attorney General.

Amends Federal criminal law to include the Board of Governors of the Federal Reserve System as a Federal agency for purposes of compelling testimony from witnesses in return for immunity from criminal prosecution.

Amends the Federal Deposit Insurance Act to provide that specified agencies, including Federal banking agencies, shall not be deemed to have waived any privilege relating to information that is subsequently shared with certain other Federal agencies.

### **Subtitle E: Counterfeit Deterrence**

Counterfeit Deterrence Act of 1992 - Amends Federal criminal law to subject to a class C felony unauthorized control or possession of:

- (1) any plate, stone, or other artifact for counterfeiting U.S. States obligations or securities, including electronic methods involved in such activities;
- (2) distinctive paper adopted for U.S. obligations and securities; and
- (3) any feature or device essentially identical to a distinctive counterfeit deterrent adapted to the making of any United States obligation or security by the Secretary of the Treasury.

Directs the Secretary to prescribe regulations to permit color illustrations of U.S. currency. Declares it is impermissible to reproduce illustrations of U.S. obligations or other securities via electronic methods used for the acquisition, recording, retrieval, transmission, or reproduction, unless such use is authorized by the Secretary.

### **Subtitle F: Miscellaneous Provisions**

Amends Federal law regarding monetary transactions to authorize the Secretary of the Treasury to:

- (1) impose civil money penalties upon a financial institution for negligent violations of this Act or for a pattern of negligent violations; and
- (2) order a depository institution to request that its customers submit cash transaction reports.

Amends Federal law regarding monetary transactions to prohibit a financial institution from discriminating against an employee who has provided Federal agencies with information regarding possible Federal violations. Grants such employees the right to file a civil action in Federal court seeking specified remedies for any such discrimination.

Requires the Secretary to establish a Bank Secrecy Act Advisory Group to serve as a conduit between the Federal and private sectors regarding the status of currency transaction reporting activities.

Requires the Comptroller General to study and report to the Congress on the feasibility of a "Financial Crimes Enforcement Network" proposed to be established among Federal agencies and banking agencies.

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Pub. L. 102–550, title XV, § 1500, Oct. 28, 1992, 106 Stat. 4044, provided that: "This title [see Tables for classification] may be cited as the 'Annunzio-Wylie Anti-Money Laundering Act'."