

(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 State or local law enforcement agency or prosecutor pursuant to any criminal or civil forfeiture referred to in such paragraph in excess of the aggregate amount of grants received by such agency or prosecutor under this part.

(d) ROLLING GRANT APPLICATION PERIODS.—In establishing the program under this part, the Secretary shall take such action as may be necessary to ensure, to the extent practicable, that—

(1) applications for grants under this part may be filed at any time during a fiscal year; and

(2) some portion of the funds appropriated under this part for any such fiscal year will remain available for grant applications filed later in the fiscal year.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2946.)

§ 5353. Information collection and dissemination with respect to grant recipients

(a) APPLICANT AND GRANTEE INFORMATION.—

(1) APPLICATION PROCESS.—The Secretary shall issue requests for proposal, as necessary, regarding, with respect to the grants awarded under section 5352, the application process, grant renewal, and suspension or withholding of renewal grants. Each application under this paragraph shall be in writing and shall be subject to review by the Secretary.

(2) REPORTING.—The Secretary shall, to the maximum extent practicable and in a manner consistent with applicable law, minimize reporting requirements by a grant recipient and expedite any application for a renewal grant made under this part.

(b) ACTIVITIES OF SECRETARY.—The Secretary may—

(1) evaluate the utility of specific initiatives relating to the purposes of the program;

(2) conduct an evaluation of the program; and

(3) disseminate information described in this subsection to—

(A) eligible State local law enforcement agencies or prosecutors; and

(B) the general public.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2948.)

§ 5354. Grants for fighting money laundering and related financial crimes

(a) IN GENERAL.—After the end of the 1-year period beginning on the date the first national strategy for combating money laundering and related financial crimes is submitted to the Congress in accordance with section 5341, and subject to subsection (b), the Secretary may review, select, and award grants for State or local law enforcement agencies and prosecutors to provide funding necessary to investigate and prosecute money laundering and related financial crimes in high-risk money laundering and related financial crime areas.

¹ So in original. Probably should be “represents”.

(b) SPECIAL PREFERENCE.—Special preference shall be given to applications submitted to the Secretary which demonstrate collaborative efforts of two or more State and local law enforcement agencies or prosecutors who have a history of Federal, State, and local cooperative law enforcement and prosecutorial efforts in responding to such criminal activity.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2948.)

§ 5355. Authorization of appropriations

There are authorized to be appropriated the following amounts for the following fiscal years to carry out the purposes of this subchapter:

For fiscal year:	The amount authorized is:
1999	\$5,000,000.
2000	\$7,500,000.
2001	\$10,000,000.
2002	\$12,500,000.
2003	\$15,000,000.
2004	\$15,000,000.
2005	\$15,000,000.

(Added Pub. L. 105-310, §2(a), Oct. 30, 1998, 112 Stat. 2948; amended Pub. L. 108-458, title VI, §6102(b), Dec. 17, 2004, 118 Stat. 3745.)

AMENDMENTS

2004—Pub. L. 108-458 in table inserted items specifying amounts authorized for fiscal years 2004 and 2005.

SUBCHAPTER IV—PROHIBITION ON FUNDING OF UNLAWFUL INTERNET GAMBLING

§ 5361. Congressional findings and purpose

(a) FINDINGS.—Congress finds the following:

(1) Internet gambling is primarily funded through personal use of payment system instruments, credit cards, and wire transfers.

(2) The National Gambling Impact Study Commission in 1999 recommended the passage of legislation to prohibit wire transfers to Internet gambling sites or the banks which represent such sites.

(3) Internet gambling is a growing cause of debt collection problems for insured depository institutions and the consumer credit industry.

(4) New mechanisms for enforcing gambling laws on the Internet are necessary because traditional law enforcement mechanisms are often inadequate for enforcing gambling prohibitions or regulations on the Internet, especially where such gambling crosses State or national borders.

(b) RULE OF CONSTRUCTION.—No provision of this subchapter shall be construed as altering, limiting, or extending any Federal or State law or Tribal-State compact prohibiting, permitting, or regulating gambling within the United States.

(Added Pub. L. 109-347, title VIII, §802(a), Oct. 13, 2006, 120 Stat. 1952.)

INTERNET GAMBLING IN OR THROUGH FOREIGN JURISDICTIONS

Pub. L. 109-347, title VIII, §803, Oct. 13, 2006, 120 Stat. 1962, provided that:

“(a) IN GENERAL.—In deliberations between the United States Government and any foreign country on

money laundering, corruption, and crime issues, the United States Government should—

“(1) encourage cooperation by foreign governments and relevant international fora in identifying whether Internet gambling operations are being used for money laundering, corruption, or other crimes;

“(2) advance policies that promote the cooperation of foreign governments, through information sharing or other measures, in the enforcement of this Act [probably means title VIII of Pub. L. 109-347, which enacted this subchapter, see Short Title of 2006 Amendment note set out under section 5301 of this title]; and

“(3) encourage the Financial Action Task Force on Money Laundering, in its annual report on money laundering typologies, to study the extent to which Internet gambling operations are being used for money laundering purposes.

“(b) REPORT REQUIRED.—The Secretary of the Treasury shall submit an annual report to the Congress on any deliberations between the United States and other countries on issues relating to Internet gambling.”

§ 5362. Definitions

In this subchapter:

(1) BET OR WAGER.—The term “bet or wager”—

(A) means the staking or risking by any person of something of value upon the outcome of a contest of others, a sporting event, or a game subject to chance, upon an agreement or understanding that the person or another person will receive something of value in the event of a certain outcome;

(B) includes the purchase of a chance or opportunity to win a lottery or other prize (which opportunity to win is predominantly subject to chance);

(C) includes any scheme of a type described in section 3702 of title 28;

(D) includes any instructions or information pertaining to the establishment or movement of funds by the bettor or customer in, to, or from an account with the business of betting or wagering; and

(E) does not include—

(i) any activity governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934¹ for the purchase or sale of securities (as that term is defined in section 3(a)(10) of that Act);

(ii) any transaction conducted on or subject to the rules of a registered entity or exempt board of trade under the Commodity Exchange Act;

(iii) any over-the-counter derivative instrument;

(iv) any other transaction that—

(I) is excluded or exempt from regulation under the Commodity Exchange Act; or

(II) is exempt from State gaming or bucket shop laws under section 12(e) of the Commodity Exchange Act or section 28(a) of the Securities Exchange Act of 1934;

(v) any contract of indemnity or guarantee;

(vi) any contract for insurance;

¹ So in original. Probably should be followed by a closing parenthesis.