

any uninsured bank or uninsured institution, or any person engaging in the business of carrying on in the United States any of the functions referred to in subsection (b), has a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, and that, given the threat posed to the security of the Nation on and after the terrorist attacks against the United States on September 11, 2001, such records may also have a high degree of usefulness in the conduct of intelligence or counter-intelligence activities, including analysis, to protect against international terrorism, he may by regulation require such bank, institution, or person—

(1) to require, retain, or maintain, with respect to its functions as an uninsured bank or uninsured institution or its functions referred to in subsection (b), any records or evidence of any type which the Secretary is authorized under section 1829b of this title to require insured banks to require, retain, or maintain; and

(2) to maintain procedures to assure compliance with requirements imposed under this chapter. For the purposes of any civil or criminal penalty, a separate violation of any requirement under this paragraph occurs with respect to each day and each separate office, branch, or place of business in which the violation occurs or continues.

(b) Institutions subject to recordkeeping requirements

The authority of the Secretary of the Treasury under subsection (a) extends to any financial institution (as defined in section 5312(a)(2) of title 31), other than any insured bank (as defined in section 1813(h) of this title) and any insured institution (as defined in section 1724(a)¹ of this title), and any partner, officer, director, or employee of any such financial institution.

(c) Acceptance of automated records

The Secretary shall permit an uninsured bank or financial institution to retain or maintain records referred to in subsection (a) in electronic or automated form, subject to terms and conditions established by the Secretary.

(Pub. L. 91-508, title I, §123, Oct. 26, 1970, 84 Stat. 1116; Pub. L. 100-690, title VI, §6185(d)(3)(A), Nov. 18, 1988, 102 Stat. 4357; Pub. L. 103-325, title III, §310, Sept. 23, 1994, 108 Stat. 2221; Pub. L. 107-56, title III, §358(e), Oct. 26, 2001, 115 Stat. 327; Pub. L. 108-458, title VI, §6202(k), Dec. 17, 2004, 118 Stat. 3746.)

Editorial Notes

REFERENCES IN TEXT

Section 1724 of this title, referred to in subsec. (b), was repealed by Pub. L. 101-73, title IV, §407, Aug. 9, 1989, 103 Stat. 363.

AMENDMENTS

2004—Subsec. (a). Pub. L. 108-458 made technical correction to Pub. L. 107-56. See 2001 Amendment note below.

2001—Subsec. (a). Pub. L. 107-56, as amended by Pub. L. 108-458, amended introductory provisions generally.

¹ See References in Text note below.

Prior to amendment, introductory provisions read as follows: “Where the Secretary determines that the maintenance of appropriate records and procedures by any uninsured bank or uninsured institution, or any person engaging in the business of carrying on in the United States any of the functions referred to in subsection (b) of this section, has a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, he may by regulation require such bank, institution, or person—”.

1994—Subsec. (c). Pub. L. 103-325 added subsec. (c).

1988—Subsec. (b). Pub. L. 100-690 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “The authority of the Secretary under this section extends to any person engaging in the business of carrying on any of the following functions:

“(1) Issuing or redeeming checks, money orders, travelers’ checks, or similar instruments, except as an incident to the conduct of its own nonfinancial business.

“(2) Transferring funds or credits domestically or internationally.

“(3) Operating a currency exchange or otherwise dealing in foreign currencies or credits.

“(4) Operating a credit card system.

“(5) Performing such similar, related, or substitute functions for any of the foregoing or for banking as may be specified by the Secretary in regulations.”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-458 effective as if included in Pub. L. 107-56, as of the date of enactment of such Act, and no amendment made by Pub. L. 107-56 that is inconsistent with such amendment to be deemed to have taken effect, see section 6205 of Pub. L. 108-458, set out as a note under section 1828 of this title.

EFFECTIVE DATE OF 2001 AMENDMENT

Amendment by Pub. L. 107-56 applicable with respect to reports filed or records maintained on, before, or after Oct. 26, 2001, see section 358(h) of Pub. L. 107-56, set out as a note under section 1829b of this title.

EFFECTIVE DATE

Section effective on first day of seventh calendar month which begins after Oct. 26, 1970, except that the Secretary of the Treasury may, by regulation, provide that this section be effective on any date not earlier than the publication of such regulations in the Federal Register and not later than first day of thirteenth calendar month which begins after Oct. 26, 1970, see section 401(a), (b) of Pub. L. 91-508, set out as a note under section 1951 of this title.

§ 1954. Injunctions

Whenever it appears to the Secretary that any person has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of any regulation under this chapter, he may in his discretion bring an action, in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. Upon application of the Secretary, any such court may also issue mandatory injunctions commanding any person to comply with any regulation of the Secretary under this chapter.

(Pub. L. 91-508, title I, §124, Oct. 26, 1970, 84 Stat. 1117.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective on first day of seventh calendar month which begins after Oct. 26, 1970, except that the Secretary of the Treasury may, by regulation, provide that this section be effective on any date not earlier than the publication of such regulations in the Federal Register and not later than first day of thirteenth calendar month which begins after Oct. 26, 1970, see section 401(a), (b) of Pub. L. 91-508, set out as a note under section 1951 of this title.

§ 1955. Civil penalties

(a) For each willful or grossly negligent violation of any regulation under this chapter, the Secretary may assess upon any person to which the regulation applies, or any person willfully causing a violation of the regulation, and, if such person is a partnership, corporation, or other entity, upon any partner, director, officer, or employee thereof who willfully or through gross negligence participates in the violation, a civil penalty not exceeding \$10,000.

(b) In the event of the failure of any person to pay any penalty assessed under this section, a civil action for the recovery thereof may, in the discretion of the Secretary, be brought in the name of the United States.

(Pub. L. 91-508, title I, §125, Oct. 26, 1970, 84 Stat. 1117; Pub. L. 100-690, title VI, §6185(d)(3)(B), Nov. 18, 1988, 102 Stat. 4357; Pub. L. 102-550, title XV, §1535(c)(1), Oct. 28, 1992, 106 Stat. 4067.)

Editorial Notes

AMENDMENTS

1992—Subsec. (a). Pub. L. 102-550 inserted “or any person willfully causing a violation of the regulation,” after “applies.”

1988—Subsec. (a). Pub. L. 100-690 inserted “or grossly negligent” after “willful” and “or through gross negligence” after “willfully” and substituted “\$10,000” for “\$1,000”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective on first day of seventh calendar month which begins after Oct. 26, 1970, except that the Secretary of the Treasury may, by regulation, provide that this section be effective on any date not earlier than the publication of such regulations in the Federal Register and not later than first day of thirteenth calendar month which begins after Oct. 26, 1970, see section 401(a), (b) of Pub. L. 91-508, set out as a note under section 1951 of this title.

§ 1956. Criminal penalty

Whoever willfully violates any regulation under this chapter shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

(Pub. L. 91-508, title I, §126, Oct. 26, 1970, 84 Stat. 1118.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective on first day of seventh calendar month which begins after Oct. 26, 1970, except that the Secretary of the Treasury may, by regulation, provide that this section be effective on any date not earlier

than the publication of such regulations in the Federal Register and not later than first day of thirteenth calendar month which begins after Oct. 26, 1970, see section 401(a), (b) of Pub. L. 91-508, set out as a note under section 1951 of this title.

§ 1957. Additional criminal penalty in certain cases

Whoever willfully violates, or willfully causes a violation of any regulation under this chapter, section 1829b of this title, or section 1730d¹ of this title, where the violation is committed in furtherance of the commission of any violation of Federal law punishable by imprisonment for more than one year, shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

(Pub. L. 91-508, title I, §127, Oct. 26, 1970, 84 Stat. 1118; Pub. L. 102-550, title XV, §1535(c)(2), Oct. 28, 1992, 106 Stat. 4067.)

Editorial Notes

REFERENCES IN TEXT

Section 1730d of this title, referred to in text, was repealed by Pub. L. 101-73, title IV, §407, Aug. 9, 1989, 103 Stat. 363.

AMENDMENTS

1992—Pub. L. 102-550 inserted “, or willfully causes a violation of” after “Whoever willfully violates”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective on first day of seventh calendar month which begins after Oct. 26, 1970, except that the Secretary of the Treasury may, by regulation, provide that this section be effective on any date not earlier than the publication of such regulations in the Federal Register and not later than first day of thirteenth calendar month which begins after Oct. 26, 1970, see section 401(a), (b) of Pub. L. 91-508, set out as a note under section 1951 of this title.

§ 1958. Compliance

The Secretary shall have the responsibility to assure compliance with the requirements of this chapter and section 1829b of this title and may delegate such responsibility to the appropriate bank supervisory agency, or other supervisory agency. The Secretary may rely on examinations conducted by a State supervisory agency of a category of financial institution, if the Secretary determines that the category of financial institution is required to comply with this chapter and section 1829b of this title (and regulations prescribed under this chapter and section 1829b of this title), or the State supervisory agency examines the category of financial institution for compliance with this chapter and section 1829b of this title (and regulations prescribed under this chapter and section 1829b of this title).

(Pub. L. 91-508, title I, §128, Oct. 26, 1970, 84 Stat. 1118; Pub. L. 113-156, §2(b), Aug. 8, 2014, 128 Stat. 1829.)

¹ See References in Text note below.