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1 (C) JURISDICTION.--

2 (i) The district courts of the United States  
3 and the United States courts in any territory shall  
4 have the same jurisdiction and power in connection  
5 with any exercise of any authority by the Corporation  
6 under subparagraph (A) as such courts have under  
7 paragraph (2) or (3) of subsection (m).

8 (ii) The district courts of the United States  
9 and the United States courts of any territory shall  
10 have jurisdiction and power to issue any injunction  
11 or restraining order or grant any equitable relief  
12 described in subparagraph (B). When appropriate, any  
13 injunction, order, or other equitable relief under  
14 this paragraph shall be granted without requiring the  
15 posting of any bond."

16 SEC. 1362. AMENDMENTS TO DEFINITIONS.

17 (a) DEFINITION OF MONETARY INSTRUMENTS INCLUDES SUCH  
18 OTHER TRANSFERS AS THE SECRETARY MAY PRESCRIBE --Section  
19 5312(a)(3) of title 31, United States Code (defining monetary  
20 instruments) is amended--  
21 (1) by adding at the end thereof the following new  
22 subparagraph:  
23 (C) as the Secretary may prescribe by  
24 regulation, any transfer of funds."  
25 (2) by striking out "and" at the end of

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1 ~~subparagraph (A), and~~  
2 ~~(B) by striking out the period at the end of~~  
3 ~~subparagraph (B) and inserting in lieu thereof "and"~~.

4 (X) UNITED STATES AGENCIES. INCLUDES THE POSTAL  
5 SERVICE.--Section 5312(a)(2)(U) of title 31, United States  
6 Code (defining financial institutions) (as redesignated by  
7 subsection (a)) is amended by inserting before the semicolon  
8 at the end the following: ", including the United States  
9 Postal Service".

10 (b) UNITED STATES INCLUDES CERTAIN TERRITORIES AND  
11 POSSESSIONS.--Section 5312(a)(5) of title 31, United States  
12 Code, is amended by inserting "the Virgin Islands, Guam, the  
13 Northern Mariana Islands, American Samoa, the Trust Territory  
14 of the Pacific Islands," after "Puerto Rico".

15 SEC. 1363. INTERNATIONAL INFORMATION EXCHANGE SYSTEM; STUDY  
16 OF FOREIGN BRANCHES OF DOMESTIC INSTITUTIONS.

17 (a) DISCUSSIONS ON INTERNATIONAL INFORMATION EXCHANGE  
18 SYSTEM.--The Secretary of the Treasury, in consultation with  
19 the Board of Governors of the Federal Reserve System, shall  
20 initiate discussions with the central banks or other  
21 appropriate governmental authorities of other countries and  
22 propose that an information exchange system be established to  
23 assist the efforts of each participating country to eliminate  
24 the international flow of money derived from illicit drug  
25 operations and other criminal activities.

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1 (b) REPORT ON DISCUSSIONS REQUIRED.--Before the end of  
 2 the 9-month period beginning on the date of the enactment of  
 3 this Act, the Secretary of the Treasury shall prepare and  
 4 transmit a report to the Committee on Banking, Finance and  
 5 Urban Affairs of the House of Representatives and the  
 6 Committee on Banking, Housing, and Urban Affairs of the  
 7 Senate on the results of discussions initiated pursuant to  
 8 subsection (a).

9 (c) STUDY OF MONEY LAUNDERING THROUGH FOREIGN BRANCHES OF  
 10 DOMESTIC FINANCIAL INSTITUTIONS REQUIRED.--The Secretary of  
 11 the Treasury, in consultation with the Attorney General and  
 12 the Board of Governors of the Federal Reserve System, shall  
 13 conduct a study of--

14 (1) the extent to which foreign branches of domestic  
 15 institutions are used--

16 (A) to facilitate illicit transfers of coins,  
 17 currency, and other monetary instruments (as such  
 18 term is defined in section 5312(a)(3)) of title 31,  
 19 United States Code) into and out of the United  
 20 States; and

21 (B) to evade reporting requirements with respect  
 22 to any transfer of coins, currency, and other  
 23 monetary instruments (as so defined) into and out of  
 24 the United States;

25 (2) the extent to which the law of the United States

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1 is applicable to the activities of such foreign branches;  
2 and

3 (3) methods for obtaining the cooperation of the  
4 country in which any such foreign branch is located for  
5 purposes of enforcing the law of the United States with  
6 respect to transfers, and reports on transfers, of such  
7 monetary instruments into and out of the United States.

8 (d) REPORT ON STUDY OF FOREIGN BRANCHES REQUIRED.--before  
9 the end of the 9-month period beginning on the date of the  
10 enactment of this Act, the Secretary of the Treasury shall  
11 prepare and transmit a report to the Committee on Banking,  
12 Finance and Urban Affairs and the Committee on the Judiciary  
13 of the House of Representatives and the Committee on Banking,  
14 Housing, and Urban Affairs and the Committee on the Judiciary  
15 of the Senate on the results of the study conducted pursuant  
16 to subsection (c).

17 SEC. 1364. EFFECTIVE DATES.

18 (a) The amendments made by sections 1354, ~~1358(b)~~, and  
19 ~~1358(c)~~ shall apply with respect to transactions for the  
20 payment, receipt, or transfer of United States coins or  
21 currency or other monetary instruments completed after the  
22 end of the 3-month period beginning on the date of the  
23 enactment of this Act.

24 (b) The amendments made by sections 1355(b), ~~1355(e)~~, and  
25 1357(a) shall apply with respect to violations committed

1 after the end of the 3-month period beginning on the date of  
2 the enactment of this Act.

3 (c) The amendments made by section 1357 (other than  
4 subsection (a) of such section) shall apply with respect to  
5 violations committed after the date of the enactment of this  
6 Act.

7 (d) Any regulation prescribed under the amendments made  
8 by section 1358<sup>9</sup> shall apply with respect to transactions  
9 completed after the effective date of such regulation.

10 (e) The regulations required to be prescribed under the  
11 amendments made by section 1359 shall take effect at the end  
12 of the 3-month period beginning on the date of the enactment  
13 of this Act.

14 (f) The amendments made by sections 1360 and 1361 shall  
15 apply with respect to notices of proposed acquisitions filed  
16 after the date of the enactment of this Act.

17 SEC. 1365. PREDICATE OFFENSES.

18 (a) Subsection (b) of section 1952 of title 18, United  
19 States Code, is amended by striking out "or" before  
20 "(2)", and by striking out the period at the end thereof  
21 and inserting in lieu thereof the following: ", or (3) any  
22 act which is indictable under subchapter II of chapter 53 of  
23 title 31, United States Code, or under section 1956 or 1957  
24 of this title."

25 (b) Subsection (1) of section 1961 of title 18, United

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1 States Code, is amended by inserting "section 1956 (relating  
2 to the laundering of monetary instruments), section 1957  
3 (relating to engaging in monetary transactions in property  
4 derived from specified unlawful activity)," after "section  
5 1955 (relating to the prohibition of illegal gambling  
6 businesses),":

7 (c) Subsection (1) of section 2516 of title 18, United  
8 States Code, is amended in paragraph (c) by inserting  
9 "section 1956 (laundering of monetary instruments), section  
10 1957 (relating to engaging in monetary transactions in  
11 property derived from specified unlawful activity)," after  
12 "section 1955 (prohibition of relating to business  
13 enterprises of gambling),".

14 SEC. 1366. FORFEITURE.

15 (a) Title 18 of the United States Code is amended by  
16 adding after chapter 45 a new chapter 46 as follows:

17 "CHAPTER 46--FORFEITURE

- 18 "Sec.
- 19 "981. Civil Forfeiture.
- 20 "982. Criminal Forfeiture.

21 "§981. Civil forfeiture

22 (a)(1) Except as provided in paragraph (2), the  
23 following property is subject to forfeiture to the United  
States:

(A) Any property, real or personal, which  
represents the gross receipts a person obtains, directly

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1 or indirectly, as a result of a violation of section 1956  
2 or 1957 of this title, or which is traceable to such  
3 gross receipts.

4 (B) Any property within the jurisdiction of the  
5 United States, which represents the proceeds of an  
6 offense against a foreign nation involving the  
7 manufacture, importation, sale, or distribution of a  
8 controlled substance (as such term is defined for the  
9 purposes of the Controlled Substances Act), within whose  
10 jurisdiction such offense or activity would be punishable  
11 by death or imprisonment for a term exceeding one year  
12 and which would be punishable by imprisonment for a term  
13 exceeding one year if such act or activity had occurred  
14 within the jurisdiction of the United States.

15 (C) Any coin and currency (or other monetary  
16 instrument as the Secretary of the Treasury may  
17 prescribe) or any interest in other property, including  
18 any deposit in a financial institution, traceable to such  
19 coin or currency involved in a transaction or attempted  
20 transaction in violation of section 5313(a) or 5324 of  
21 title 31 may be seized and forfeited to the United States  
22 Government. No property or interest in property shall be  
23 seized or forfeited if the violation is by a domestic  
24 financial institution examined by a Federal bank  
25 supervisory agency or a financial institution regulated



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1 by the Securities and Exchange Commission or a partner,  
2 director, officer or employee thereof."

3 "(2) No property shall be forfeited under this section  
4 to the extent of the interest of an owner or lienholder by  
5 reason of any act or emission established by that owner or  
6 lienholder to have been committed without the knowledge of  
7 that owner or lienholder.

8 "(b) Any property subject to forfeiture to the United  
9 States under subsection (a)(1)(A) or (a)(1)(B) of this  
10 section may be seized by the Attorney General or, with  
11 respect to property involved in a violation of section 1956  
12 or 1957 of this title investigated by the Secretary of the  
13 Treasury, may be seized by the Secretary of the Treasury, and  
14 any property subject to forfeiture under subsection (a)(1)(C)  
15 of this section may be seized by the Secretary of the  
16 Treasury, in each case upon process issued pursuant to the  
17 Supplemental Rules for certain Admiralty and Maritime Claims  
18 by any district court of the United States having  
19 jurisdiction over the property, except that seizure without  
20 such process may be made when--

21 "(1) the seizure is pursuant to a lawful arrest or  
22 search; or

23 "(2) the Attorney General or the Secretary of the  
24 Treasury, as the case may be, has obtained a warrant for  
25 such seizure pursuant to the Federal Rules of Criminal

1 Procedure, in which event proceedings under subsection  
2 (d) of this section shall be instituted promptly.

3 "(c) Property taken or detained under this section shall  
4 not be repleviable, but shall be deemed to be in the custody  
5 of the Attorney General or the Secretary of the Treasury, as  
6 the case may be, subject only to the orders and decrees of  
7 the court or the official having jurisdiction thereof.  
8 Whenever property is seized under this subsection, the  
9 Attorney General or the Secretary of the Treasury, as the  
10 case may be, may--

11 "(1) place the property under seal;

12 "(2) remove the property to a place designated by  
13 him; or

14 "(3) require that the General Services  
15 Administration take custody of the property and remove  
16 it, if practicable, to an appropriate location for  
17 disposition in accordance with law.

18 "(d) For purposes of this section, the provisions of the  
19 customs laws relating to the seizure, summary and judicial  
20 forfeiture, condemnation of property for violation of the  
21 customs laws, the disposition of such property or the  
22 proceeds from the sale of this section, the remission or  
23 mitigation of such forfeitures, and the compromise of claims  
24 (19 U.S.C. 1602 et seq.), insofar as they are applicable and  
25 not inconsistent with the provisions of this section, shall

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1 apply to seizures and forfeitures incurred, or alleged to  
 2 have been incurred, under this section, except that such  
 3 duties as are imposed upon the customs officer or any other  
 4 person with respect to the seizure and forfeiture of property  
 5 under the customs laws shall be performed with respect to  
 6 seizures and forfeitures of property under this section by  
 7 such officers, agents, or other persons as may be authorized  
 8 or designated for that purpose by the Attorney General or the  
 9 Secretary of the Treasury, as the case may be.

10 (e) Notwithstanding any other provision of the law,  
 11 except section 3 of the Anti Drug Abuse Act of 1986, the  
 12 Attorney General or the Secretary of the Treasury, as the  
 13 case may be, is authorized to retain property forfeited  
 14 pursuant to this section, or to transfer such property on  
 15 such terms and conditions as he may determine to--

16 (1) any other Federal agency; or

17 (2) any State or local law enforcement agency which  
 18 participated directly in any of the acts which led to the  
 19 seizure or forfeiture of the property.

20 The Attorney General or the Secretary of the Treasury, as the  
 21 case may be, shall ensure the equitable transfer pursuant to  
 22 paragraph (2) of any forfeited property to the appropriate  
 23 State or local law enforcement agency so as to reflect  
 24 generally the contribution of any such agency participating  
 25 directly in any of the acts which led to the seizure or

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1 forfeiture of such property. A decision by the Attorney  
2 General or the Secretary of the Treasury pursuant to  
3 paragraph (2) shall not be subject to review. The United  
4 States shall not be liable in any action arising out of the  
5 use of any property the custody of which was transferred  
6 pursuant to this section to any non-Federal agency. The  
7 Attorney General or the Secretary of the Treasury may order  
8 the discontinuance of any forfeiture proceedings under this  
9 section in favor of the institution of forfeiture proceedings  
10 by State or local authorities under an appropriate State or  
11 local statute. After the filing of a complaint for forfeiture  
12 under this section, the Attorney General may seek dismissal  
13 of the complaint in favor of forfeiture proceedings under  
14 State or local law. Whenever forfeiture proceedings are  
15 discontinued by the United States in favor of State or local  
16 proceedings, the United States may transfer custody and  
17 possession of the seized property to the appropriate State or  
18 local official immediately upon the initiation of the proper  
19 actions by such officials. Whenever forfeiture proceedings  
20 are discontinued by the United States in favor of State or  
21 local proceedings, notice shall be sent to all known  
22 interested parties advising them of the discontinuance or  
23 dismissal. The United States shall not be liable in any  
24 action arising out of the seizure, detention, and transfer of  
25 seized property to State or local officials.

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1 (f) All right, title, and interest in property  
2 described in subsection (a) of this section shall vest in the  
3 United States upon commission of the act giving rise to  
4 forfeiture under this section.

5 (g) The filing of an indictment or information alleging  
6 a violation of law which is also related to a forfeiture  
7 proceeding under this section shall, upon motion of the  
8 United States and for good cause shown, stay the forfeiture  
9 proceeding.

10 (h) In addition to the venue provided for in section  
11 1395 of title 28 or any other provision of law, in the case  
12 of property of a defendant charged with a violation that is  
13 the basis for forfeiture of the property under this section,  
14 a proceeding for forfeiture under this section may be brought  
15 in the judicial district in which the defendant owning such  
16 property is found or in the judicial district in which the  
17 criminal prosecution is brought.

18 (i) In the case of property subject to forfeiture under  
19 subsection (a)(1)(B), the following additional provisions  
20 shall, to the extent provided by treaty, apply:

21 (1) Notwithstanding any other provision of law,  
22 except section 3 of the Anti Drug Abuse Act of 1986,  
23 whenever property is civilly or criminally forfeited  
24 under the Controlled Substances Act, the Attorney General  
25 may, with the concurrence of the Secretary of State,

1 equitably transfer any conveyance, currency, and any  
 2 other type of personal property which the Attorney  
 3 General may designate by regulation for equitable  
 4 transfer, or any amounts realized by the United States  
 5 from the sale of any real or personal property forfeited  
 6 under the Controlled Substances Act to an appropriate  
 7 foreign country to reflect generally the contribution of  
 8 any such foreign country participating directly or  
 9 indirectly in any acts which led to the seizure or  
 10 forfeiture of such property. <sup>(insert)</sup> <sup>file</sup> <sup>1154</sup> ~~The foreign country shall~~  
 11 in the event of a transfer of property or proceeds of  
 12 sale of property under this subchapter, bear all expenses  
 13 incurred by the United States in the seizure,  
 14 maintenance, inventory, storage, forfeiture, and  
 15 disposition of the property, and all transfer costs. The  
 16 payment of all such expenses, and the transfer of assets  
 17 pursuant to this paragraph, shall be upon such terms and  
 18 conditions as the Attorney General may, in his  
 19 discretion, set. ~~Transfers may be made under this subsection during a fiscal~~

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Transfers may be made under this subsection during a fiscal  
year to a country that is subject to paragraph (1)(A) of  
section 481(h) of the Foreign Assistance Act of 1961  
(relating to restrictions on United States assistance) only  
if there is a certification in effect with respect to that  
country for that fiscal year under paragraph (2) of that  
section.

22 (2) The provisions of this section shall not be  
 23 construed as limiting or superseding any other authority  
 24 of the United States to provide assistance to a foreign  
 25 *Government in obtaining property related to a crime*

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Such property when forfeited pursuant to subsection (a) (1) (B) of this section may also be transferred to a foreign country pursuant to a treaty providing for the transfer of forfeited property to such foreign country.

A decision by the Attorney General pursuant to this paragraph shall not be subject to review."

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1 committed in the foreign country, including property  
2 which is sought as evidence of a crime committed in the  
3 foreign country.

4 (3) A certified order or judgment of forfeiture by  
5 a court of competent jurisdiction of a foreign country  
6 concerning property which is the subject of forfeiture  
7 under this section and was determined by such court to be  
8 the type of property described in subsection (a)(1)(B) of  
9 this section, and any certified recordings or transcripts  
10 of testimony taken in a foreign judicial proceeding  
11 concerning such order or judgment of forfeiture, shall be  
12 admissible in evidence in a proceeding brought pursuant  
13 to this section. Such certified order or judgment of  
14 forfeiture, when admitted into evidence, shall constitute  
15 probable cause that the property forfeited by such order  
16 or judgment of forfeiture is subject to forfeiture under  
17 this section and creates a rebuttable presumption of the  
18 forfeitability of such property under this section.

19 (4) A certified order or judgment of conviction by  
20 a court of competent jurisdiction of a foreign country  
21 concerning an unlawful drug activity which gives rise to  
22 forfeiture under this section and any certified  
23 recordings or transcripts of testimony taken in a foreign  
24 judicial proceeding concerning such order or judgment of  
25 conviction shall be admissible in evidence in a

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1 proceeding brought pursuant to this section. Such  
 2 certified order or judgment of conviction, when admitted  
 3 into evidence, creates a rebuttable, presumption that the  
 4 unlawful drug activity giving rise to forfeiture under  
 5 this section has occurred.

6 (5) The provisions of paragraphs (3) and (4) of  
 7 this subsection shall not be construed as limiting the  
 8 admissibility of any evidence otherwise admissible, nor  
 9 shall they limit the ability of the United States to  
 10 establish probable cause that property is subject to  
 11 forfeiture by any evidence otherwise admissible.

12 (j) For purposes of this section--

13 (1) the term 'Attorney General' means the Attorney  
 14 General or his delegate; and

15 (2) the term 'Secretary of the Treasury' means the  
 16 Secretary of the Treasury or his delegate.

17 §5982. Criminal forfeiture

18 (a) The court, in imposing sentence on a person  
 19 convicted of an offense under section 1956 or 1957 of this  
 20 title shall order that the person forfeit to the United  
 21 States any property, real or personal, which represents the  
 22 gross receipts the person obtained, directly or indirectly,  
 23 as a result of such offense, or which is traceable to such  
 24 gross receipts.

25 (b) The provisions of subsections 413 (c) and (e)

117

1 through (o) of the Comprehensive Drug Abuse Prevention and  
2 Control Act of 1970 (21 U.S.C. 853 (c) and (e)--(o)) shall  
3 apply to property subject to forfeiture under this section,  
4 to any seizure or disposition thereof, and to any  
5 administrative or judicial proceeding in relation thereto, if  
6 not inconsistent with this section."

7 (b) The chapter analysis of part I of title 18, United  
8 States Code, is amended by inserting after the item for  
9 chapter 45 the following:

"46. Forfeiture

931"

10 SEC. 1367. SEVERABILITY CLAUSE.

11 If any provision of this subtitle or any amendment made  
12 by this Act, or the application thereof to any person or  
13 circumstances is held invalid, the provisions of every other  
14 part, and their application, shall not be affected thereby.

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1 through (c) of the Comprehensive Drug Abuse Prevention and  
 2 Control Act of 1970 (21 U.S.C. 853 (c) and (e) -- (c)) shall  
 3 apply to property subject to forfeiture under this section,  
 4 to any seizure or disposition thereof, and to any  
 5 administrative or judicial proceeding in relation thereto, if  
 6 not inconsistent with this section."

7 (b) The chapter analysis of part I of title 18, United  
 8 States Code, is amended by inserting after the item for  
 9 chapter 45 the following:

"46. Forfeiture 961"

10 SEC. 1367. SEVERABILITY CLAUSE.

11 If any provision of this subtitle or any amendment made  
 12 by this Act, or the application thereof to any person or  
 13 circumstances is held invalid, the provisions of every other  
 14 ~~provision and their application, shall not be affected thereby.~~

15 Subtitle I--Armed Career Criminals

16 SEC. 1401. SEORE TITLE.

17 This subtitle may be cited as the "Career Criminals  
 18 Amendment Act of 1986".

19 SEC. 1402. EXPANSION OF PREDICATE OFFENSES FOR ARMED CAREER  
 20 CRIMINAL PENALTIES.

21 (a) IN GENERAL.--Section 924(e)(1) of title 18, United  
 22 States Code, is amended by striking out "for robbery or  
 23 burglary, or both," and inserting in lieu thereof "for a  
 24 violent felony or a serious drug offense, or both,".

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1 in charge of a vehicle, or aircraft pilot shall present to  
 2 customs officers such documents, papers, or manifests as the  
 3 Secretary may by regulation prescribe.

4 "(e) PROHIBITION ON DEPARTURES AND DISCHARGE.--Unless  
 5 otherwise authorized by law, a vessel, aircraft, or vehicle  
 6 may, after arriving in the United States or the Virgin  
 7 Islands--

8 "(1) depart from the port, place, or airport of  
 9 arrival; or

10 "(2) discharge any passenger or merchandise  
 11 (including baggage);

12 only in accordance with regulations prescribed by the  
 13 Secretary."

14 SEC. 3113. PENALTIES FOR ARRIVAL, REPORTING, ENTRY, AND  
 15 DEPARTURE VIOLATIONS.

16 (a) FOR VIOLATIONS OF ARRIVAL, REPORTING, AND ENTRY  
 17 REQUIREMENTS.--Section 436 of the Tariff Act of 1930 (19  
 18 U.S.C. 1436) is amended to read as follows:

19 "SEC. 436. PENALTIES FOR VIOLATIONS OF THE ARRIVAL,  
 20 REPORTING, AND ENTRY REQUIREMENTS.

21 "(a) UNLAWFUL ACTS.--It is unlawful--

22 "(1) to fail to comply with section 433;

23 "(2) to present any forged, altered, or false  
 24 document, paper, or manifest to a customs officer under  
 25 section 433(d) without revealing the facts;

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1           “(3) to fail to make entry as required by section  
2           434, 435, or 644 of this Act or section 1109 of the  
3           Federal Aviation Act (49 U.S.C. App. 1509); or

4           “(4) to fail to comply with, or violate, any  
5           regulation prescribed under any section referred to in  
6           any of paragraphs (1) through (3).

7           “(b) CIVIL PENALTY.--Any master, person in charge of a  
8           vehicle, or aircraft pilot who commits any violation listed  
9           in subsection (a) is liable for a civil penalty of \$5,000 for  
10          the first violation, and \$10,000 for each subsequent  
11          violation, and any conveyance used in connection with any  
12          such violation is subject to seizure and forfeiture.

13          “(c) CRIMINAL PENALTY.--In addition to being liable for  
14          a civil penalty under subsection (b), any master, person in  
15          charge of a vehicle, or aircraft pilot who intentionally  
16          commits any violation listed in subsection (a) is, upon  
17          conviction, liable for a fine of not more than \$2,000 or  
18          imprisonment for 1 year, or both; except that if the  
19          conveyance has, or is discovered to have had, on board any  
20          merchandise (other than sea stores or the equivalent for  
21          conveyances other than vessels) the importation of which into  
22          the United States is prohibited, such individual is liable  
23          for an additional fine of not more than \$10,000 or  
24          imprisonment for not more than 5 years, or both.

25          “(d) ADDITIONAL CIVIL PENALTY.--If any merchandise

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1 (other than sea stores or the equivalent for conveyances  
 2 other than a vessel) is imported or brought into the United  
 3 States in or aboard a conveyance which was not properly  
 4 reported or entered, the master, person in charge of a  
 5 vehicle, or aircraft pilot shall be liable for a civil  
 6 penalty equal to the value of the merchandise and the  
 7 merchandise may be seized and forfeited unless properly  
 8 entered by the importer or consignee. If the merchandise  
 9 consists of any controlled substance listed in section 584,  
 10 the master, individual in charge of a vehicle, or pilot shall  
 11 be liable to the penalties prescribed in that section."

12 (b) INCREASE IN PENALTIES FOR DEPARTURE BEFORE REPORT OR  
 13 ENTRY.--Section 585 of the Tariff Act of 1930 (19 U.S.C.  
 14 1585) is amended--

15 (1) by striking out "shall be liable to a penalty of  
 16 \$5,000," after "vessel"; and

17 (2) by striking out "\$500" and inserting "\$5,000  
 18 for the first violation, and \$10,000 for each subsequent  
 19 violation,".

20 SEC. 3114. PENALTIES FOR UNAUTHORIZED UNLOADING OF  
 21 PASSENGERS.

22 Section 454 (19 U.S.C. 1454), is amended by striking out  
 23 "\$500 for each" and inserting "\$1,000 for the first  
 24 passenger and \$500 for each additional".

25 SEC. 3115. REPORTING REQUIREMENTS FOR INDIVIDUALS.

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1 (a) AMENDMENT.--Section 459 of the Tariff Act of 1930 (19  
2 U.S.C. 1459) is amended to read as follows:

3 ``SEC. 459. REPORTING REQUIREMENTS FOR INDIVIDUALS.

4 ``(a) INDIVIDUALS ARRIVING OTHER THAN BY  
5 CONVEYANCE.--Except as otherwise authorized by the Secretary,  
6 individuals arriving in the United States other than by  
7 vessel, vehicle, or aircraft shall--

8 ``(1) enter the United States only at a border  
9 crossing point designated by the Secretary; and

10 ``(2) immediately--

11 `` (A) report the arrival, and

12 `` (B) present themselves, and all articles  
13 accompanying them for inspection;

14 to the customs officer at the customs facility designated  
15 for that crossing point.

16 ``(b) INDIVIDUALS ARRIVING BY REPORTED

17 CONVEYANCE.--Except as otherwise authorized by the Secretary  
18 passengers and crew members aboard a conveyance the arrival  
19 in the United States of which was made or reported in  
20 accordance with section 433 or 644 of this Act or section  
21 1109 of the Federal Aviation Act of 1958, or in accordance  
22 with applicable regulations, shall remain aboard the  
23 conveyance until authorized to depart the conveyance by the  
24 appropriate customs officer. Upon departing the conveyance,  
25 the passengers and crew members shall immediately report to

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1 the designated customs facility with all articles  
2 accompanying them.

3 (c) INDIVIDUALS ARRIVING BY UNREPORTED  
4 CONVEYANCE.--Except as otherwise authorized by the Secretary,  
5 individuals aboard a conveyance the arrival in the United  
6 States of which was not made or reported in accordance with  
7 the laws or regulations referred to in subsection (b) shall  
8 immediately notify a customs officer and report their  
9 arrival, together with appropriate information concerning the  
10 conveyance on or in which they arrived, and present their  
11 property for customs examination and inspection.

12 (d) DEPARTURE FROM DESIGNATED CUSTOMS  
13 FACILITIES.--Except as otherwise authorized by the Secretary,  
14 any person required to report to a designated customs  
15 facility under subsection (a), (b), or (c) may not depart  
16 that facility until authorized to do so by the appropriate  
17 customs officer.

18 (e) UNLAWFUL ACTS.--It is unlawful--  
19 (1) to fail to comply with subsection (a), (b), or  
20 (c);  
21 (2) to present any forged, altered, or false  
22 document or paper to a customs officer under subsection  
23 (a), (b), or (c) without revealing the facts;  
24 (3) to violate subsection (d); or  
25 (4) to fail to comply with, or violate, any

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1 regulation prescribed to carry out subsection (a), (b)  
2 (c), or (d).

3 "(f) CIVIL PENALTY.--Any individual who violates any  
4 provision of subsection (e) is liable for a civil penalty of  
5 \$5,000 for the first violation, and \$10,000 for each  
6 subsequent violation.

7 "(g) CRIMINAL PENALTY.--In addition to being liable for  
8 a civil penalty under subsection (f), any individual who  
9 intentionally violates any provision of subsection (e) is,  
10 upon conviction, liable for a fine of not more than \$5,000,  
11 or imprisonment for not more than 1 year, or both."

12 (b) REPEAL.--Section 460 is repealed.

13 SEC. 3116. PENALTIES FOR FAILURE TO DECLARE.

14 Section 497 of the Tariff Act of 1930 (19 U.S.C. 1497) is  
15 amended to read as follows:

16 "SEC. 497. PENALTIES FOR FAILURE TO DECLARE.

17 "(a) IN GENERAL.--(1) Any article which  
18 "(A) is not included in the declaration and entry as  
19 made; and

20 "(B) is not mentioned before examination of the  
21 baggage begins--

22 "(i) in writing by such person, if written  
23 declaration and entry was required, or

24 "(ii) orally, if written declaration and entry  
25 was not required;

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1 shall be subject to forfeiture and such person shall be  
2 liable for a penalty determined under paragraph (2) with  
3 respect to such article.

4       “(2) The amount of the penalty imposed under paragraph  
5 (1) with respect to any article is equal to--

6           “(A) if the article is a controlled substance, 200  
7 percent of the value of the article; and

8           “(B) if the article is not a controlled substance,  
9 the value of the article.

10       “(b) VALUE OF CONTROLLED SUBSTANCES.--(1)

11 Notwithstanding any other provision of this Act, the value of  
12 any controlled substance shall, for purposes of this section,  
13 be equal to the amount determined by the Secretary in  
14 consultation with the Attorney General of the United States,  
15 to be equal to the price at which such controlled substance  
16 is likely to be illegally sold to the consumer of such  
17 controlled substance.

18       “(2) The Secretary and the Attorney General of the  
19 United States shall establish a method of determining the  
20 price at which each controlled substance is likely to be  
21 illegally sold to the consumer of such controlled  
22 substance.”.

23 SEC. 3117. EXAMINATION OF BOOKS AND WITNESSES.

24       Section 509 of the Tariff Act of 1930 (19 U.S.C. 1509)  
25 is amended--

1 (1) by striking out "", required to be kept under  
2 section 508 of this Act," in subsection (a)(2) and  
3 inserting "", as defined in subsection (c)(1)(A)," ; and  
4 (2) by amending subsection (c)(1)(A) to read as  
5 follows:

6 "(A) The term 'records' includes statements,  
7 declarations, or documents--

8 "(i) required to be kept under section 508; or

9 "(ii) regarding which there is probable cause to  
10 believe that they pertain to merchandise the  
11 importation of which into the United States is  
12 prohibited."

13 SEC. 3118. FALSE MANIFESTS; LACK OF MANIFEST.

14 Section 584 of the Tariff Act of 1930 (19 U.S.C. 1584) is  
15 amended--

16 (1) by striking out "\$500" each place it appears  
17 and inserting in lieu thereof "\$1,000";

18 (2) by striking out "\$50" in subsection (a)(2) and  
19 inserting in lieu thereof "\$1,000";

20 (3) by striking out "\$25" in subsection (a)(2) and  
21 inserting in lieu thereof "\$500"; and

22 (4) by striking out "\$10" in subsection (a)(2) and  
23 inserting in lieu thereof "\$200".

24 SEC. 3119. UNLAWFUL UNLOADING OF MERCHANDISE.

25 Section 586 of the Tariff Act of 1930 (19 U.S.C. 1586) is

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1 amended--

2 (1) by striking out ``\$1,000`` wherever it appears  
3 and inserting ``\$10,000``; and

4 (2) by amending subsection (e)--

5 (A) by striking out ``one league of the coast of  
6 the United States`` and inserting ``customs waters``;  
7 and

8 (B) by striking out ``2 years`` and inserting  
9 ``15 years``.

10 SEC. 3120. AVIATION SMUGGLING.

11 Part V of title IV of the Tariff Act of 1930 is amended  
12 by adding after section 589 the following new section:

13 ``SEC. 590. AVIATION SMUGGLING.

14 `` (a) IN GENERAL.--It is unlawful for the pilot of any  
15 aircraft to transport, or for any individual on board any  
16 aircraft to possess, merchandise knowing, or intending, that  
17 the merchandise will be introduced into the United States  
18 contrary to law.

19 `` (b) SEA TRANSFERS.--It is unlawful for any person to  
20 transfer merchandise between an aircraft and a vessel on the  
21 high seas or in the customs waters of the United States if  
22 such person has not been authorized by the Secretary to make  
23 such transfer and--

24 `` (1) either--

25 `` (A) the aircraft is owned by a citizen of the

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1 United States or is registered in the United States  
2 or

3 "(B) the vessel is a vessel of the United States  
4 (within the meaning of section 3(b) of the Anti-  
5 Smuggling Act (19 U.S.C. 1703(b)), or

6 "(2) regardless of the nationality of the vessel or  
7 aircraft, such transfer is made under circumstances  
8 indicating the intent to make it possible for such  
9 merchandise, or any part thereof, to be introduced into  
10 the United States unlawfully.

11 "(c) CIVIL PENALTIES.--Any person who violates any  
12 provision of this section is liable for a civil penalty equi-  
13 to twice the value of the merchandise involved in the  
14 violation, but not less than \$10,000. The value of any  
15 controlled substance included in the merchandise shall be  
16 determined in accordance with section 497(b).

17 "(d) CRIMINAL PENALTIES.--In addition to being liable  
18 for a civil penalty under subsection (c), any person who  
19 intentionally commits a violation of any provision of this  
20 section is, upon conviction--

21 "(1) liable for a fine of not more than \$10,000 or  
22 imprisonment for not more than 5 years, or both, if not  
23 of the merchandise involved was a controlled substance  
24 or

25 "(2) liable for a fine of not more than \$250,000  
imprisonment for not more than 20 years, or both, if  
of the merchandise involved was a controlled substance

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“(1) The operation of an aircraft or a vessel without lights during such times as lights are required to be displayed under applicable law.

“(2) The presence on an aircraft of an auxiliary fuel tank which is not installed in accordance with applicable law.

“(3) The failure to identify correctly--

“(A) the vessel by name or country of registration, or

“(B) the aircraft by registration number and country of registration,

when requested to do so by a customs officer or other government authority.

“(4) The external display of false registration numbers, false country of registration, or, in the case of a vessel, false vessel name.

“(5) The presence on board of unmanifested merchandise, the importation of which is prohibited or restricted.

“(6) The presence on board of controlled substances which are not manifested or which are not accompanied by the permits or licenses required under Single Convention on Narcotic Drugs or other international treaty.

“(7) The presence of any compartment or equipment which is built or fitted out for smuggling.

“(e) Seizure and Forfeiture.--

ACT

1           “(1) Except as provided in paragraph (2), a vessel  
2           or aircraft used in connection with, or in aiding or  
3           facilitating, any violation of this section, whether or  
4           not any person is charged in connection with such  
5           violation, may be seized and forfeited in accordance with  
6           the customs laws.

7           “(2) Paragraph (1) does not apply to a vessel or  
8           aircraft operated as a common carrier.”

9           “(f) DEFINITION OF MERCHANDISE.--As used in this  
10          section, the term ‘merchandise’ means only merchandise the  
11          importation of which into the United States is prohibited or  
12          restricted.

13          “(g) INTENT OF TRANSFER OF MERCHANDISE.--For purposes of  
14          imposing civil penalties under this section, any of the  
15          following acts, when performed within 250 miles of the  
16          territorial sea of the United States, shall be prima facie  
17          evidence that the transportation or possession of merchandise  
18          was unlawful and shall be presumed to constitute  
19          circumstances indicating that the purpose of the transfer is  
20          to make it possible for such merchandise, or any part  
21          thereof, to be introduced into the United States unlawfully,  
22          and for purposes of subsection (e) or section 596, shall be  
23          prima facie evidence that an aircraft or vessel was used in  
24          connection with, or to aid or facilitate, a violation of this  
25          section:

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1 passenger being lawfully transported on such conveyance;  
2 or

3 "(3) in the cargo of the conveyance if the cargo is  
4 listed on the manifest and marks, numbers, weights and  
5 quantities of the outer packages or containers agree with  
6 the manifest;

7 unless the owner or operator, or the master, pilot,  
8 conductor, driver or other person in charge participated in,  
9 or had knowledge of, the violation, or was grossly negligent  
10 in preventing or discovering the violation.

11 "(c) PROHIBITED MERCHANDISE ON CONVEYANCE.--If any  
12 merchandise the importation of which is prohibited is found  
13 to be, or to have been--

14 "(1) on board a conveyance used as a common carrier  
15 in the transaction of business as a common carrier in one  
16 or more packages or containers--

17 "(A) that are not manifested (or not shown on  
18 bills of lading or airway bills); or

19 "(B) whose marks, numbers, weight or quantities  
20 disagree with the manifest (or with the bills of  
21 lading or airway bills); or

22 "(2) concealed in or on such a conveyance, but not  
23 in the cargo;

24 the conveyance may be seized, and after investigation,  
25 forfeited unless it is established that neither the owner or



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1           “(8) The failure of a vessel to stop when hailed by  
2           a customs officer or other government authority.”.

3   SEC. 3121. SEIZURES.

4           Section 594 of the Tariff Act of 1930 (19 U.S.C. 1594) is  
5           amended to read as follows:

6   “SEC. 594. SEIZURE OF CONVEYANCES.

7           “(a) IN GENERAL.--Whenever--

8           “(1) any vessel, vehicle, or aircraft; or

9           “(2) the owner or operator, or the master, pilot,  
10          conductor, driver, or other person in charge of a vessel,  
11          vehicle, or aircraft;

12          is subject to a penalty for violation of the customs laws,  
13          the conveyance involved shall be held for the payment of such  
14          penalty and may be seized and forfeited and sold in  
15          accordance with the customs laws. The proceeds of sale, if  
16          any, in excess of the assessed penalty and expenses of  
17          seizing, maintaining, and selling the property shall be held  
18          for the account of any interested party.

19          “(b) EXCEPTIONS.--No conveyance used by any person as a  
20          common carrier in the transaction of business as a common  
21          carrier is subject to seizure and forfeiture under the  
22          customs laws for violations relating to merchandise  
23          contained--

24                 “(1) on the person;

25                 “(2) in baggage belonging to and accompanying a

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1 (E) by redesignating paragraph (6) as paragraph  
2 (5); and

3 (F) by amending the last sentence to read as  
4 follows:

5 "In addition to the purposes described in paragraphs (1)  
6 through (5), the fund is available for--

7 "(i) purchases by the Customs Service of evidence  
8 of--

9 "(I) smuggling of controlled substances, and

10 "(II) violations of the currency and foreign  
11 transaction reporting requirements of chapter 51 of  
12 title 31, United States Code, if there is a  
13 substantial probability that the violations of these  
14 requirements are related to the smuggling of  
15 controlled substances;

16 "(ii) the equipping for law enforcement functions of  
17 any vessel, vehicle, or aircraft available for official  
18 use by the Customs Service;

19 "(iii) the reimbursement, at the discretion of the  
20 Secretary, of private citizens for expenses incurred by  
21 them in cooperating with the Customs Service in  
22 investigations and undercover law enforcement operations;  
23 and

24 "(iv) the publicizing of the availability of rewards  
25 under section 619.""; and

259-

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1 (2) by amending subsection (f) to read as follows:  
 2 "(f)(1) There are authorized to be appropriated from the  
 3 fund for each of the fiscal years beginning with fiscal year  
 4 1987 not more than \$20,000,000.

5 "(2) At the end of each of fiscal years 1987, 1988,  
 6 1989, and 1990, any amount in the fund in excess of  
 7 \$20,000,000 shall be deposited in the general fund of the  
 8 Treasury. At the end of fiscal year 1991, any amount  
 9 remaining in the fund shall be deposited in the general fund  
 10 of the Treasury, and the fund shall cease to exist."

11 (b) EFFECTIVE DATE.--The amendments made by subsection  
 12 (a) shall take effect October 1, 1986.

13 PART 4--MISCELLANEOUS CUSTOMS AMENDMENTS

14 SEC. 3151. RECREATIONAL VESSELS.

15 Section 12109(b) of title 46, United States Code, is  
 16 amended by adding at the end the following: "Such vessel  
 17 must, however, comply with all customs requirements for  
 18 reporting arrival under section 433 of the Tariff Act of 1930  
 19 (19 U.S.C. 1433) and all persons aboard such a pleasure  
 20 vessel shall be subject to all applicable customs  
 21 regulations."

22 SEC. 3152. ASSISTANCE FOR CUSTOMS OFFICERS.

23 Section 3071 of the Revised Statutes of the United States  
 24 (19 U.S.C. 507) is amended to read as follows:

25 "SEC. 3071. (a) Every customs officer shall--



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1 SEC. 3161. POSSESSION, MANUFACTURE, OR DISTRIBUTION FOR  
2 PURPOSES OF UNLAWFUL IMPORTATION.

3 (a) AMENDMENT TO ACT.--Section 1009 of the Controlled  
4 Substances Import and Export Act (21 U.S.C. 959) is amended--

5 (1) by inserting "POSSESSION," in the heading;

6 (2) by striking out "It shall" and inserting in  
7 lieu thereof "(a) It shall";

8 (3) by striking out "This section" and inserting in  
9 lieu thereof "(c) This section";

10 (4) by inserting "or into waters within a distance  
11 of 12 miles of the coast of the United States" after  
12 "United States" each place it appears in subsection  
13 (a); and

14 (5) by inserting after subsection (a) the following  
15 new subsection:

16 "(b) It shall be unlawful for any United States citizen  
17 on board any aircraft, or any person on board an aircraft  
18 owned by a United States citizen or registered in the United  
19 States, to--

20 "(1) manufacture or distribute a controlled  
21 substance; or

22 "(2) possess a controlled substance with intent to  
23 distribute."

24 (b) CONFORMING AMENDMENT.--The table of contents of the  
25 Comprehensive Drug Abuse Prevention and Control Act of 1970

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251

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1 is amended by striking out "Manufacture" in the item  
2 relating to section 1009 and inserting in lieu thereof  
3 "Possession, manufacture".

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6 Subtitle C--Maritime Drug Law Enforcement Prosecution.

9 Improvements Act of 1986

10 SEC. 3201. SHORT TITLE.

11 ~~THIS~~ <sup>SUBTITLE</sup> MAY BE CITED AS THE "MARITIME DRUG LAW  
12 Enforcement Prosecution Improvements Act of 1986".

13 SEC. 3202. IMPROVEMENT OF PUBLIC LAW 96-350.

9 The Act entitled "An Act to facilitate  
10 increased enforcement by the Coast Guard of laws relating to  
11 the importation of controlled substances, and for other  
12 purposes", approved September 15, 1980 (Public Law 96-250;  
13 94 Stat. 1159) is amended by striking ~~the~~ <sup>9//</sup>  
14 after the enacting clause and inserting in lieu thereof the  
15 following:

16 "That this Act may be cited as the 'Maritime Drug Law  
17 Enforcement Act'.

18 "Sec. 2. The Congress finds and declares that  
19 trafficking in controlled substances aboard vessels is a  
20 serious international problem and is universally condemned.  
21 Moreover, such trafficking presents a specific threat to the  
22 security and societal well-being of the United States.

23 "Sec. 3. (a) It is unlawful for any person on board a  
24 vessel of the United States, or on board a vessel subject to  
25 the jurisdiction of the United States, to knowingly or  
26 intentionally manufacture or distribute, or to possess with  
27 intent to manufacture or distribute, a controlled substance.

1 "(b) For purposes of this section, a 'vessel of the  
2 United States' means--

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3 "(1) a vessel documented under chapter 121 of title  
4 46, United States Code, or a vessel numbered as provided  
5 in chapter 123 of that title;

6 "(2) a vessel owned in whole or part by--  
7 "(A) the United States or a territory,  
8 commonwealth, or possession of the United States;  
9 "(B) a State or political subdivision thereof;  
10 "(C) a citizen or national of the United  
11 States; or

12 "(D) a corporation created under the laws of  
13 the United States or any State, the District of  
14 Columbia, or any territory, commonwealth, or  
15 possession of the United States;

16 unless the vessel has been granted the nationality of a  
17 foreign nation in accordance with article 5 of the 1958  
18 Convention on the High Seas; and

19 "(3) a vessel that was once documented under the  
20 laws of the United States and, in violation of the laws  
21 of the United States, was either sold to a person not a  
22 citizen of the United States or placed under foreign  
23 registry or a foreign flag, whether or not the vessel  
24 has been granted the nationality of a foreign nation. --

25 "(c) (1) For purposes of this section, a 'vessel subject  
26 to the jurisdiction of the United States' includes--



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"(A) a vessel without nationality;

"(B) a vessel assimilated to a vessel without nationality, in accordance with paragraph (2) of article 6 of the 1958 Convention on the High Seas;

"(C) a vessel registered in a foreign nation where the flag nation has consented or waived objection to the enforcement of United States law by the United States;

"(D) a vessel located within the customs waters of the United States; and

"(E) a vessel located in the territorial waters of another nation, where the nation consents to the enforcement of United States law by the United States.

Consent or waiver of objection by a ~~flag~~ nation to the enforcement of United States law by the United States under paragraph (C) or (E) of this paragraph may be obtained by radio, telephone, or similar oral or electronic means, and may be proved by certification of the Secretary of State or the Secretary's designee.

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"(2) For purposes of this section, a 'vessel without nationality' includes—

"(A) a vessel aboard which the master or person in charge makes a claim of registry, which claim is denied by the flag nation whose registry is claimed; and

"(B) any vessel aboard which the master or person in charge fails, upon request of an officer of the United States empowered to enforce applicable provisions.

1 of United States law, to make a claim of nationality or  
registry for that vessel. 25  
233

3 A claim of registry under subparagraph (A) may be verified  
4 or denied by radio, telephone, or similar oral or electronic  
5 means. The denial of such claim of registry by the claimed  
6 flag nation may be proved by certification of the Secretary  
7 of State or the Secretary's designee. ITALIC

8 "(3) For purposes of this section, a claim of  
9 nationality or registry only includes:

10 "(A) possession on board the vessel and production  
11 of documents evidencing the vessel's nationality in  
12 accordance with article 5 of the 1958 Convention on the  
13 High Seas;

14 "(B) flying its flag nation's ensign or flag; or

15 "(C) a verbal claim of nationality or registry by  
16 the master or person in charge of the vessel.

17 "(d) A claim of failure to comply with international law  
18 in the enforcement of this Act may be invoked solely by a  
19 foreign state, and a failure to comply with international  
20 law shall not divest a court of jurisdiction or otherwise  
21 constitute a defense to any proceeding under this Act.

22 "(e) This section does not apply to a common or contract  
23 carrier, or an employee thereof, who possesses or  
24 distributes a controlled substance in the lawful and usual  
25 course of the carrier's business or to a public vessel of  
26 the United States, or any person on board such a vessel who

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267

2 lawful course of such person's duties, if the controlled  
3 substance is a part of the cargo entered in the vessel's  
4 manifest and is intended to be lawfully imported into the  
5 country of destination for scientific, medical, or other  
6 legitimate purposes. It shall not be necessary for the  
7 United States to negate the exception set forth in this  
8 subsection in any complaint, information, indictment, or  
9 other pleading or in any trial or other proceeding. The  
10 burden of going forward with the evidence with respect to  
11 this exception is upon the person claiming its benefit.

12 "(f) Any person who violates this section shall be tried  
13 in the United States district court at the point of entry  
14 where that person enters the United States, or in the United  
15 States District Court of the District of Columbia.

16 "(g)(1) Any person who commits an offense defined in  
17 this section shall be punished in accordance with the  
18 penalties set forth in section 1010 of the Comprehensive  
19 Drug Abuse Prevention and Control Act of 1970 (21 U.S.C.  
20 960).

21 "(2) Notwithstanding paragraph (1) of this subsection,  
22 any person convicted of an offense under this Act shall be  
23 punished in accordance with the penalties set forth in  
24 section 1012 of the Comprehensive Drug Abuse Prevention and  
25 Control Act of 1970 (21 U.S.C. 962) if such offense is a

256

268

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1 second or subsequent offense as defined in section 1012(b)  
2 of that Act.

3 "(h) This section is intended to reach acts of  
4 possession, manufacture, or distribution committed outside  
5 the territorial jurisdiction of the United States.

6 "(i) The definitions in the Comprehensive Drug Abuse  
7 Prevention and Control Act of 1970 (21 U.S.C. 802) apply to  
8 terms used in this Act.

9 "(j) Any person who attempts or conspires to commit any  
10 offense defined in this Act is punishable by imprisonment or  
11 fine, or both, which may not exceed the maximum punishment  
12 prescribed for the offense, the commission of which was the  
13 object of the attempt or conspiracy.

14 "Sec. 3. Any property described in section 511(a) of the  
15 Comprehensive Drug Abuse Prevention and Control Act of 1970  
16 (21 U.S.C. 881(a)) that is used or intended for use to  
17 commit, or to facilitate the commission of, an offense under  
18 this Act shall be subject to seizure and forfeiture in the  
19 same manner as similar property seized or forfeited under  
20 section 511 of the Comprehensive Drug Abuse Prevention and  
21 Control Act of 1970 (21 U.S.C. 881)."

Subtitle D—Coast Guard

SEC. 3251. COAST GUARD DRUG INTERDICTION ENHANCEMENT.

(a) ADDITIONAL AUTHORIZATIONS FOR THE COAST GUARD.--

(1) There are authorized to be appropriated for Acquisition, Construction, and Improvements of the Coast Guard, ~~\$39,000,000~~ \$39,000,000.

(2) There are hereby authorized to be appropriated for Operating Expenses of the Coast Guard, \$39,000,000. This amount shall be used to increase the full-time equivalent strength level for the Coast Guard for active duty personnel for fiscal year 1987 to 39,220.

(b) AMOUNTS IN ADDITION TO OTHER AMOUNTS.--The amounts authorized to be appropriated for the Coast Guard by this section are in addition to any amounts otherwise authorized by law.

(c) AUTHORIZATION ENHANCEMENT.--Nothing in this Act shall require the Coast Guard to recruit, compensate, train, purchase, or deploy any personnel or equipment except to the extent that--

(1) additional appropriations are made available in appropriations Acts for that purpose; or

(2) funds are transferred to the Secretary of Transportation for that purpose pursuant to this Act.

of Coast Guard equipment... and to increase the utilization

9 SEC. ~~3300~~<sup>3301</sup>. ESTABLISHMENT OF A UNITED STATES-BAHAMAS DRUG  
18 INTERDICTION TASK FORCE.

11 (a) Authorization of Appropriations.--

12 (1) Establishment of a United States-Bahamas Drug  
13 Interdiction Task Force.--(1) There is authorized to be  
14 established a United States-Bahamas Drug Interdiction  
15 Task Force to be operated jointly by the United States  
16 Government and the Government of the Bahamas.

17 (B) The Secretary of State, the Commandant of the  
18 Coast Guard, the Commissioner of Customs, the Attorney  
19 General, and the head of the National Narcotics Border  
20 Interdiction System (NNBIS), shall upon enactment of this  
21 Act, immediately commence negotiations with the  
22 Government of the Bahamas to enter into a detailed  
23 agreement for the establishment and operation of a new  
24 drug interdiction task force, including plans for (1) the  
25 joint operation and maintenance of any drug interdiction

1 assets authorized for the task force in this section and  
 2 section ~~3000~~, and (11) any training and personnel  
 3 enhancements authorized in this section and section ~~3000~~.

4 (C) The Attorney General shall report to the  
 5 appropriate committees of Congress on a quarterly basis  
 6 regarding the progress of the United States-Bahamas Drug  
 7 Interdiction Task Force.

8 (2) Amounts authorized.--There are authorized to be  
 9 appropriated, in addition to any other amounts authorized  
 10 to be appropriated in this ~~title~~, \$18,888,888 for the  
 11 following:

12 (1) \$9,888,888 for 3 ~~interdiction~~ drug  
 13 interdiction pursuit helicopters for use primarily  
 14 for operations of the United States-Bahamas Drug  
 15 Interdiction Task Force established under this  
 16 section; and

17 (2) \$1,888,888 to enhance communications  
 18 capabilities for the operation of a United States-  
 19 Bahamas Drug Interdiction Task Force established  
 20 under this section.

21 (3) Coast Guard-Bahamas drug interdiction docking  
 22 facility.--There is authorized to be appropriated for  
 23 acquisition, construction, and improvements for the Coast  
 24 Guard for fiscal year 1987, \$5,888,888, to be used for  
 25 initial design engineering, and other activities for

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~~315~~  
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TALS

1 construction of a drug interdiction docking facility in  
 2 the Bahamas to facilitate Coast Guard and Bahamian drug  
 3 interdiction operations in and through the Bahama  
 4 Islands. Of the amounts authorized to be appropriated in  
 5 this subsection, such sums as may be necessary shall be  
 6 available for necessary communication and air support.

7 ~~CA~~ The Commandant of the Coast Guard shall use  
 8 such amounts appropriated pursuant to the  
 9 authorization in this <sup>paragraph</sup> ~~subsection~~ as may be necessary  
 10 to establish a repair, maintenance, and boat lift  
 11 facility to provide repair and maintenance services  
 12 for both Coast Guard and Bahamian marine drug  
 13 interdiction equipment, vessels, and related assets.

1 (b) CONCURRENCE BY SECRETARY OF STATE.--Programs  
 2 authorized by this section may be carried out only with the  
 3 concurrence of the Secretary of State.

N



Subtitle F--COMMAND, CONTROL, COMMUNICATIONS, AND INTELLIGENCE CENTER

3351  
2 SEC. ~~3351~~. ESTABLISHMENT OF COMMAND, CONTROL, COMMUNICATIONS,

3 AND INTELLIGENCE CENTERS (C-3I). -- to the United States

4 there are authorized to be appropriated \$25,000,000 for

Customs Service

5 the establishment of command, control, communications, and

6 intelligence (C-3I) centers, including sector operations

7 centers and a national command, control, communications, and

8 intelligence (C-3I) center, in locations within the United

9 States. The coordination of the establishment and location of

10 such C-3I centers shall be conducted ~~among~~ the Commissioner

by

11 of Customs; the Commandant of the Coast Guard; the Attorney

together with

12 General of the United States; and the National Narcotics

13 Border Interdiction System (NBIS).

ITALIC

1 Subtitle G--Transportation Safety

2 SEC. 3401. AIR SAFETY.

3 ~~(a) (1) (A) of the Federal Aviation Act of 1958~~

4 (49 U.S.C. App 1472(b)) is amended by adding at the end the  
5 following new paragraph:

6 (3) Nothing in this subsection or in any other  
7 provision of this Act shall preclude a State from  
8 establishing criminal penalties, including providing for  
9 forfeiture or seizure of aircraft, for a person who--

10 (A) knowingly and willfully forges, counterfeits,  
11 alters, or falsely makes an aircraft registration  
12 certificate,

13 (B) knowingly sells, uses, attempts to use, or  
14 possesses with intent to use a fraudulent aircraft  
15 registration certificate,

16 (C) knowingly and willfully displays or causes to  
17 be displayed on any aircraft any marks that are false or  
18 misleading as to the nationality or registration of the  
19 aircraft, or

20 (D) obtains an aircraft registration certificate  
21 from the Administrator by knowingly and willfully  
22 falsifying, concealing, or covering up a material fact,  
23 or making a false, fictitious, or fraudulent statement or  
24 representation, or making or using any false writing or  
25 document knowing the writing or document to contain any

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1 the Secretary of the Treasury within 15 days after such sale,  
 2 conditional sale, transfer, or conveyance, such notice as the  
 3 Secretary of the Treasury may by regulation require. The  
 4 filing of a notice under this subsection shall not relieve  
 5 any person from the filing requirements under sections 581 or  
 6 583 of this Act.  
 7 "(2) Within 30 days after the date of enactment of this  
 8 section, the Secretary of the Treasury shall promulgate  
 9 regulations establishing guidelines by which persons or  
 10 classes of persons may apply for exemptions from the filing  
 11 requirement of paragraph (1). The Secretary of the Treasury  
 12 may exempt such persons or classes of persons pursuant to  
 13 such regulations."

14 ~~Strike out paragraph (1) of section~~  
 15 ~~3421 of the Code and insert in lieu thereof the~~  
 16 ~~following:~~

17 (1) Section 982(b) of the Federal Aviation Act of  
 18 1958 (49 U.S.C. 1472(b)) is amended by adding at the end  
 19 thereof the following:

20 "(3) Nothing in this subsection or in any other  
 21 provision of this Act shall preclude a State from  
 22 establishing criminal penalties, including providing for  
 23 forfeiture or seizure of aircraft, for a person who, in  
 24 connection with an act described in subparagraph (2) and

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~~with knowledge of such act~~

"(A) knowingly and willfully forges, counterfeits, alters, or falsely makes an aircraft registration certificate;

A

ITALIA

"(B) knowingly sells, uses, attempts to use, or possesses with intent to use a fraudulent aircraft registration certificate;

E

"(C) knowingly and willfully displays or causes to be displayed on any aircraft any marks that are false or misleading as to the nationality or registration of the aircraft; or

C

"(D) obtains an aircraft registration certificate from the Administrator by knowingly and willfully falsifying, concealing or covering up a material fact, or making a false, fictitious, or fraudulent statement or representation, or making or using any false writing or document knowing the writing or document to contain any false, fictitious, or fraudulent statement or entry.

D

"

~~"(B) The act referred to in subparagraph (A) is the transportation by aircraft of any controlled substance, or the aiding or facilitation of a controlled substance offense, where such act is punishable by death or imprisonment for a term exceeding one year under a State or Federal law relating to a controlled substance (other than a law relating to simple possession of a controlled substance)."~~

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~~TABLE, REVISIONS, OR PRELIMINARY STATEMENT OF WORK.~~

(2) Section 501 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1401) is amended by adding at the end the following new subsection:

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INSPECTION BY LAW ENFORCEMENT OFFICERS

(g) The operator of an aircraft shall make available for inspection an aircraft's certificate of registration upon request by a Federal, State, or local law enforcement officer.

(3) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

Sec. 501. Registration of aircraft nationality.

is amended by adding at the end the following:

(g) Inspection by law enforcement officers.

(b)(1) Subsection (q) of section 902 of the Federal Aviation Act of 1958 (49 U.S.C. 1472(q)) is amended to read as follows:

VIOLATIONS IN CONNECTION WITH TRANSPORTATION OF CONTROLLED SUBSTANCES

(q)(1) It shall be unlawful, in connection with an act described in paragraph (2) and with knowledge of such act, for any person--

(A) who is the owner of an aircraft eligible for registration under section 501, to knowingly and

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1 willfully operate, attempt to operate, or permit any  
2 other person to operate such aircraft if the aircraft is  
3 not registered under section 501 or the certificate of  
4 registration of the aircraft is suspended or revoked, or  
5 if such person does not have proper authorization to  
6 operate or navigate the aircraft without registration for  
7 a period of time after transfer of ownership;

8 (B) to operate or attempt to operate an aircraft  
9 eligible for registration under section 501 knowing that  
10 such aircraft is not registered under section 501, that  
11 the certificate of registration is suspended or revoked,  
12 or that such person does not have proper authorization to  
13 operate or navigate the aircraft without registration for  
14 a period of time after transfer of ownership;

15 (C) to knowingly and willfully serve, or attempt to  
16 serve, in any capacity as an airman without a valid  
17 airman certificate authorizing such person to serve in  
18 such a capacity;

19 (D) to knowingly and willfully employ for service  
20 or utilize any airman who does not possess a valid airman  
21 certificate authorizing such person to serve in such  
22 capacity;

23 (E) to knowingly and willfully operate an aircraft  
24 in violation of any rule, regulation, or requirement  
25 issued by the Administrator of the Federal Aviation

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1 Administration with respect to the display of navigation  
2 or anticollision lights; and

3 (F) to knowingly operate an aircraft with a fuel  
4 tank or fuel system that has been installed or modified  
5 on the aircraft, unless such tank or system and the  
6 installation or modification of such tank or system is in  
7 accordance with all applicable rules, regulations, and  
8 requirements of the Administrator.

9 (2) The act referred to in paragraph (1) is the  
10 transportation by aircraft of any controlled substance or the  
11 aiding or facilitating of a controlled substance offense  
12 where such act is punishable by death or imprisonment for a  
13 term exceeding one year under a State or Federal law or is  
14 provided in connection with any act that is punishable by  
15 death or imprisonment for a term exceeding one year under a  
16 State or Federal law relating to a controlled substance  
17 (other than a law relating to simple possession of a  
18 controlled substance).

19 (3) A person violating this subsection shall be subject  
20 to a fine not exceeding \$25,000, or imprisonment not  
21 exceeding 5 years, or both.

22 (4) A person who, in connection with transportation  
23 described in paragraph (2), operates an aircraft on which a  
24 fuel tank or fuel system has been installed or modified and  
25 does not carry aboard the aircraft any certificate required

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1 to be issued by the Administrator for such installation or  
2 modification shall be presumed to have violated subparagraph  
3 (F) of paragraph (1).

4 (5) In the case of a violation of subparagraph (F) of  
5 paragraph (1), the fuel tank or fuel system and the aircraft  
6 involved shall be subject to seizure and forfeiture. The  
7 provisions of law relating to--

8 (A) the seizure, summary and judicial forfeiture,  
9 and condemnation of property for violation of the customs  
10 laws;

11 (B) the disposition of such property or the  
12 proceeds from the sale thereof;

13 (C) the remission or mitigation of such  
14 forfeitures; and

15 (D) the compromise of claims and the award of  
16 compensation to informers in respect of such forfeitures;  
17 shall apply to seizures and forfeitures under this paragraph.  
18 The Secretary may authorize such officers and agents as are  
19 necessary to carry out seizures and forfeitures under this  
20 paragraph, and such officers and agents shall have the powers  
21 and duties given to customs officers with respect to the  
22 seizure and forfeiture of property under the customs laws.

23 (6) For purposes of this subsection, the term  
24 'controlled substance' has the meaning given to such term by  
25 section 102 of the Controlled Substances Act (21 U.S.C.

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1 802).''.

2 (2) That portion of the table of contents of the Federal  
3 Aviation Act of 1958 which appears under the side heading  
''Sec. 902. Criminal penalties.''

4 is amended by striking the item relating to subsection (q)  
5 and inserting the following::

''(q) Violations in connection with  
transportation of controlled  
substances. .

6 (c) Section 904(a) of the Federal Aviation Act of 1958  
7 (49 U.S.C. 1474(a)) is amended--

8 (1) by striking ''\$500'' each place it appears and  
9 inserting in lieu thereof ''\$5,000'';

10 (2) by inserting after the second sentence the  
11 following: ''In addition to any other penalty, if any  
12 controlled substance described in section 584 of the  
13 Tariff Act of 1930 (19 U.S.C. 1584) is found on board of,  
14 or to have been unladen from, an aircraft subject to  
15 section 1109(b) and (c) of this Act, the owner or person  
16 in charge of such aircraft shall be subject to the  
17 penalties provided for in section 584 of the Tariff Act  
18 of 1930 (19 U.S.C. 1584), unless such owner or person is  
19 able to demonstrate, by a preponderance of the evidence,  
20 that such owner or person did not know, and could not, by  
21 the exercise of the highest degree of care and diligence,  
22 have known, that any such controlled substance was on

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ITALIP

1 board."; and

2 (3) by amending the third sentence to read as  
3 follows: "In the case the violation is by the owner,  
4 operator, or person in command of the aircraft, any  
5 penalty imposed by this section shall be a lien against  
6 the aircraft."

7 ~~Section 1109 of the Federal Aviation Act of 1958~~  
8 (49 App. U.S.C. 1509) is amended by adding at the end thereof  
9 the following:

10 REPORTING TRANSFER OF OWNERSHIP

11 (f) Any person having an ownership interest in any  
12 aircraft for which a certificate of registration has been  
13 issued under this Act shall, upon the sale, conditional sale,  
14 transfer or conveyance of such ownership interest, file  
15 within 15 days such notice as the Secretary of the Treasury  
16 may by regulation require. The filing of a notice under this  
17 subsection shall not relieve any person from the filing  
18 requirements of section 501 or 503 of this Act."

19 (2) That portion of the table of contents of the Federal  
20 Aviation Act of 1958 which appears under the side heading  
"Sec. 1109. Application of existing laws relating to foreign  
commerce.

21 is amended by adding at the end thereof the following:

22 ~~Section 1109 of the Federal Aviation Act of 1958~~  
~~Reporting Transfer of Ownership."~~

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6 (49 App. U.S.C. 1509) is amended by adding at the end thereof  
7 the following:

8 "REPORTING TRANSFER OF OWNERSHIP

9 "(f) Any person having an ownership interest in any  
10 aircraft for which a certificate of registration has been  
11 issued under this Act shall, upon the sale, conditional sale,  
12 transfer, or conveyance of such ownership interest, file with  
13 the Secretary of the Treasury within 15 days after such sale,  
14 conditional sale, transfer or conveyance such notice as the  
15 Secretary of the Treasury may by regulation require. The  
16 filing of a notice under this subsection shall not relieve  
17 any person from the filing requirements under section 501 or  
18 503 of this Act."

19 (2) Within 30 days after the date of enactment of  
20 subsection (f) of section 1109 of the Federal Aviation Act of  
21 1958 as added by this subsection, the Secretary of the  
22 Treasury shall promulgate regulations establishing guidelines  
23 by which persons or classes of persons may apply for  
24 exemptions from the filing requirements of subsection (f) of  
25 section 1109. The Secretary of the Treasury may exempt such  
26 persons or classes of persons pursuant to such regulations.

27 (3) That portion of the table of contents of the Federal  
28 Aviation Act of 1958 which appears under the side heading

"Sec. 1109. Application of existing laws  
relating to foreign commerce."

29 is amended by adding at the end thereof the following:

"(f) Reporting transfer of ownership."

~~5~~ 273-2/3**Sec. 3402. DRUGS AND HIGHWAY SAFETY**

1 (a) STUDY.--The Secretary of Transportation shall conduct  
2 a study to determine the relationship between the usage of  
3 controlled substances and highway safety. Such study shall  
4 include a simulation of driving conditions, emergency  
5 situations, and driver performance under various drug and  
6 dosage conditions. Such study shall determine the incidence  
7 of controlled substance usage in highway accidents resulting  
8 in fatalities and the dosage levels for controlled substances  
9 which are most likely to result in impairment of driver  
10 performance.

11 (b) REPORT.--Not later than one year after the date of  
12 the enactment of this Act, the Secretary of Transportation  
13 shall submit to Congress a report on the results of the study  
14 conducted under subsection (a).

~~273~~ 274

1 SEC. 3403. SAVINGS PROVISION.

2 In any proceeding under section 11344 of title 49, United  
3 States Code, involving an application by a rail carrier (or a  
4 person controlled by or affiliated with a rail carrier) to  
5 acquire a motor carrier, the Interstate Commerce Commission,  
6 and any Federal court reviewing action of the Commission,  
7 shall follow the standards set forth in the Commission  
8 decision in Ex Parte No. 438 if the applicant rail carrier,  
9 between July 20, 1984, and September 30, 1986 (1) filed an  
10 application with the Commission to acquire a motor carrier,  
11 (2) entered into a contract or signed a letter of intent to  
12 acquire a motor carrier, or (3) made a public tender offer to  
13 acquire a motor carrier.

Subtitle H--DEPARTMENT OF JUSTICE FUNDS FOR DRUG INTERDICTION  
OPERATIONS IN HAWAII ITALY

5 SEC. 3421. ADDITIONAL FUNDS FOR THE DEPARTMENT OF JUSTICE.

6 There are authorized to be appropriated to the Department  
7 of Justice for fiscal year 1987, in addition to any other  
8 amounts authorized to be appropriated to the Department for  
9 such fiscal year, \$7,000,000 for helicopters with forward  
10 looking infrared radiation detection devices for drug  
11 interdiction operations in Hawaii.

12 Subtitle I--Federal Communications Commission

8 SEC. 3451. COMMUNICATIONS.

9 The Federal Communications Commission <sup>may</sup> shall revoke any <sup>private</sup> operators  
10 license issued to any person under the Communications Act of  
11 1934 (47 U.S.C. 151 et seq.) who is found to have willfully  
12 used said license for the purpose of distributing, or  
13 assisting in the distribution of, any controlled substance in  
14 violation of any provision of Federal law. In addition, the  
15 Federal Communications Commission <sup>may</sup> shall, upon the request of  
16 an appropriate Federal law enforcement agency, assist in the  
17 enforcement of Federal law prohibiting the use or  
18 distribution of any controlled substance where communications  
19 equipment within the jurisdiction of the Federal  
20 Communications Commission under the Communications Act of  
21 1934 is willfully being used for purposes of distributing, or  
22 assisting in the distribution of, any such substance.

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*Demand Reduction*  
Title IV - ~~Alcohol Abuse and Drug Abuse~~ S.L.C.

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1 Subtitle A--Treatment and Rehabilitation

2 SEC. 4001. SHORT TITLE; REFERENCE.

3 (a) This subtitle may be cited as the "Alcohol and Drug

4 Abuse Amendments of 1986".

5 (b) Except as otherwise specifically provided, whenever

6 in this subtitle an amendment or repeal is expressed in terms

7 of an amendment to a section or other provision, the

8 reference shall be considered to be a reference to a section

9 or other provision of the Public Health Service Act.

10 SEC. 4002. SPECIAL ~~ALLOTMENTS FOR~~ ALCOHOL ABUSE AND DRUG

11 ABUSE ~~TREATMENT AND REHABILITATION~~ PROGRAMS.

12 Title XIX is amended by inserting after ~~section 1921~~ <sup>part B</sup> the

13 following new <sup>part:</sup> ~~sections~~

14 "SPECIAL ~~ALLOTMENTS TO~~ ALCOHOL ABUSE AND DRUG

15 ABUSE ~~TREATMENT AND REHABILITATION~~ PROGRAMS

16 "Sec. 1921. (a) To carry out this section and sections

17 1922, 1923, 509A, and ~~1924~~ there are authorized to be

18 appropriated \$241,200,000 for fiscal year 1987. Of the total

19 amount appropriated under the preceding sentence for fiscal

20 year 1987, <sup>6</sup> percent shall be added to and included with the

21 amounts otherwise available under this part for allotments to

22 States under section 1913 for such fiscal year, <sup>70.5</sup> percent

23 shall be available for allotments to States under this

Part C--Emergency Substance Abuse Treatment and Prevention Activities

159920.741

S.L.C.

1 section for such fiscal year, <sup>(4.5)</sup> ~~3~~ percent shall be available  
 2 for transfer to the Administrator of Veterans' Affairs under  
 3 section 1922 for such fiscal year, 1 percent shall be  
 4 available to carry out section 1923 for such fiscal year, and  
 5 <sup>(18)</sup> ~~1~~ percent shall be available to carry out sections 508 and  
 6 ~~509A~~ for such fiscal year.

509A

7 "(b)(1) The allotment of a State under this section for  
 8 a fiscal year shall be the sum of the amounts allotted to  
 9 such State under paragraphs (2) and (3).

10 "(2) Forty-five percent of the amount available for  
 11 allotment under this section for a fiscal year shall be  
 12 allotted in accordance with this ~~section~~. The allotment of  
 13 a State under this ~~section~~ for a fiscal year shall be an  
 14 amount which bears the same ratio to the total amount  
 15 required pursuant to the preceding sentence to be allotted  
 16 under this ~~section~~ for such fiscal year as the population  
 17 of such State bears to the population of all States.

paragraph

18 "(3) Fifty-five percent of the amount available for  
 19 allotment under this section for a fiscal year shall be  
 20 allotted by the Secretary to States on the basis of the need  
 21 of each State for amounts for programs and activities for the  
 22 treatment and rehabilitation of the alcohol abuse and drug  
 23 abuse. In determining such need for each State under this  
 24 ~~section~~ the Secretary shall consider--

Except that no such allotment shall be less than \$50,000



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1           “(A) the nature and extent, in the State and in  
2 particular areas of the State, of the demand for  
3 effective programs and activities for the treatment and  
4 rehabilitation of alcohol abuse and drug abuse;

5           “(B) the number of individuals in the State who  
6 abuse alcohol or drugs and the capacity of the State to  
7 provide treatment and rehabilitation for such individuals  
8 (as determined by the Secretary on the basis of the  
9 number of individuals who requested treatment for alcohol  
10 abuse and drug abuse in the State during the most recent  
11 calendar year ending prior to the date on which a  
12 statement is submitted by the State under subsection (d);  
13 and

14           “(C) the ability of the State to provide additional  
15 services for the treatment and rehabilitation of alcohol  
16 abuse and drug abuse.

17           “(4) The Secretary shall make allotments to States under  
18 paragraph (A) for fiscal year 1987, and shall make payments  
19 to States under subsection (c) from such allotments, at the  
20 same time that the Secretary makes allotments and payments  
21 under sections 1913 and 1914, respectively, for such fiscal  
22 year. The Secretary shall make allotments to States under  
23 paragraph (A) for fiscal year 1987, and shall make payments  
24 to States under subsection (c) from such allotments, within  
25 four months after the date of enactment of the Alcohol and.

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~~to be returned to the Treasury  
of the United States~~

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S.L.C.

1 Drug Abuse Amendments of 1986.

2       “(c)(1) For each fiscal year, the Secretary shall make  
3 payments, as provided by section 6503 of title 31, United  
4 States Code, to each State from its allotment under  
5 paragraphs (2) and (3) of subsection (b) from amounts which  
6 are appropriated for that fiscal year and available for such  
7 allotments.

*Vertical handwritten note:* Deleted by [unclear]

~~8       “(2) Any amount paid to a State under paragraph (1) for  
9 a fiscal year and remaining unobligated at the end of such  
10 fiscal year shall remain available to such State for the  
11 purposes for which it was made for the next fiscal year.”~~

*Vertical handwritten note:* Deleted by [unclear] section [unclear] allotment under [unclear]

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13       “(2) Any amount paid to a State under paragraph (1) for  
14 a fiscal year and remaining unobligated at the end of such  
15 fiscal year shall remain available to such State for the  
16 purposes for which it was made for the next fiscal year.

3 (a) A State may not use amounts paid to it under its allotment under section ~~1024~~ to this

A (1) provide inpatient hospital services,

B (2) make cash payments to intended recipients of health services,

C (3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment,

D (4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds, or

~~(5) pay administrative costs, or~~

E (6) provide financial assistance to any entity other than a public or nonprofit private entity.

4) (d) The provisions of part B which are not inconsistent with subsection (a) or (b) or sections 1024 or 1025 shall apply with respect to allotments made under sections 1024

~~and 1025~~

Disput  
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this part

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1            “(3) assurances that, in the preparation of any  
2 statement under this section, the State will consult with  
3 local governments and public and private entities,  
4 including community based organizations, involved in the  
5 provision of services for the treatment and  
6 rehabilitation of alcohol abuse and drug abuse;

7            “(4) a description of the manner in which the State  
8 will evaluate programs and activities conducted with  
9 payments made to the State under subsection (c) and  
10 assurances that the State will report periodically to the  
11 Secretary on the results of such evaluations; and

12           “(5) assurances that payments made to the State  
13 under subsection (c) will supplement and not supplant any  
14 State or local expenditures for the treatment and  
15 rehabilitation of alcohol abuse and drug abuse that would  
16 have been made in the absence of such payments;

17           “(e)(1) Except as provided in subsections (f) and (1),  
18 amounts paid to a State under subsection (c) may be used by  
19 the State for alcohol abuse and drug abuse treatment and  
20 rehabilitation programs and activities, including--

21            1) activities to increase the availability and  
22 outreach of programs provided by major treatment centers  
23 and regional branches of such centers which provide  
24 services in a State in order to reach the greatest number  
25 of people;

and prevention

Insert B

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1 2) (b) activities to expand the capacity of alcohol  
 2 abuse and drug abuse treatment and rehabilitation  
 3 programs and facilities to provide treatment and  
 4 rehabilitation services for alcohol abusers and drug  
 5 abusers who have been refused treatment due to lack of  
 6 facilities or personnel; and

7 3) (c) activities to provide access to vocational  
 8 training, job counseling, and education equivalency  
 9 programs to alcohol abusers and drug abusers in need of  
 10 such services in order to enable such abusers to become  
 11 productive members of society. and

12 (d) A State may request the Secretary to waive the  
 13 provisions of section 1915(b)(1) (as such section applies to  
 14 this section pursuant to subsection (1) of this section) in  
 15 order to permit such State to conduct model programs for the  
 16 provision of inpatient hospital services for alcohol abuse  
 17 and drug abuse treatment, and the Secretary may grant such a  
 18 waiver.

Insert  
C  
attached

19 (f) Of the total amount paid to any State under  
 20 subsection (c) for a fiscal year, not more than 2 percent may  
 21 be used for administering the funds made available under such  
 22 subsection. The State will pay from non-Federal sources the  
 23 remaining costs of such administering such funds.

24 (g) The Secretary may provide training and technical  
 25 assistance to States in planning and operating activities to

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S.L.C.

1 be carried out under this section.

2 "(h) The Secretary may conduct data collection  
3 activities to enable the Secretary to carry out this section.

4 "(1) Except as provided in subsection (e)(2), the  
5 provisions of subsections (a) and (d) and paragraphs (1)  
6 through (5) of subsection (b) of section 1917 and the  
7 provisions of sections 1914(b), 1915(b), 1918, 1919, and 1920  
8 shall apply to this section in the same manner as such  
9 provisions apply to payments made under section 1914 from  
10 allotments made under section 1913.

11 "TRANSFER TO THE ADMINISTRATOR OF VETERANS' AFFAIRS

12 "Sec. 1922. The Secretary shall transfer to the  
13 Administrator of Veterans' Affairs the amount which, under  
14 the second sentence of section 1921(a), is available for such  
15 transfer. The amount transferred pursuant to the preceding  
16 sentence shall be used for outpatient treatment,  
17 rehabilitation, and counseling under section 612 of title 38,  
18 United States Code, of veterans for their alcohol or drug  
19 abuse dependence or abuse disabilities and for contract care  
20 and services under section 620A of such title for veterans  
21 for such disabilities.

22 "TREATMENT PROGRAM EVALUATIONS

23 "Sec. 1923. One percent of the total amount appropriated  
24 under section 1921(a) for any fiscal year may be used by the  
25 Secretary, acting through the Administrator of the Alcohol,

*shall*

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S.L.C.

1 Drug Abuse, and Mental Health Administration, to develop and  
 2 evaluate alcohol and drug abuse treatment programs to  
 3 determine the most effective forms of treatment. Such  
 4 programs may be developed and evaluated through grants,  
 5 contracts, and cooperative agreements provided to nonprofit  
 6 private entities. In carrying out this section, the Secretary  
 7 shall assess the comparative effectiveness of various  
 8 treatment forms for specific patient groups.".

SEC. 501. TECHNICAL REVISION OF ADAMHA.

4003 Section 501 (42 U.S.C. 290aa) is amended to read as follows:

**"ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH  
ADMINISTRATION**

"SEC. 501. (a) *The Alcohol, Drug Abuse, and Mental Health Administration is an agency of the Service.*

"(b) *The following entities are agencies of the Alcohol, Drug Abuse, and Mental Health Administration:*

"(1) *The National Institute on Alcohol Abuse and Alcoholism.*

"(2) *The National Institute on Drug Abuse.*

"(3) *The National Institute of Mental Health.*



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~~"(1) The Agency for Substance Abuse Prevention.~~

"(c)(1) The Alcohol, Drug Abuse, and Mental Health Administration shall be headed by an Administrator (hereinafter in this title referred to as the 'Administrator') who shall be appointed by the President by and with the advice and consent of the Senate.

"(2) The Administrator, with the approval of the Secretary, may appoint a Deputy Administrator and may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the activities to be carried out through the Administration.

"(d) The Secretary, acting through the Administrator—

"(1) shall supervise the functions of the agencies of the Administration in order to assure that the programs carried out through each such agency receive appropriate and equitable support and that there is cooperation among the agencies in the implementation of such programs;

"(2) shall assure that research at or supported by the Administration and each of its agencies is subject to review in accordance with section 507 and is in compliance with section 509A; and

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"(3) shall assure that research on neuronal recep-  
tors and their role in mental health and substance  
abuse is provided adequate support.

"(e)(1) There shall be in the Administration an Associ-  
ate Administrator for Prevention to whom the Administrator  
shall delegate the function of promoting the prevention re-  
search programs of the National Institute of Mental Health,  
the National Institute on Alcohol Abuse and Alcoholism,  
and the National Institute on Drug Abuse and coordinating  
such programs between the Institutes and between the Insti-  
tutes and other public and private entities.

"(2) The Administrator, acting through the Associate  
Administrator for Prevention, shall annually submit to the  
Congress a report describing the prevention activities (in-  
cluding preventive medicine and health promotion) under-  
taken by the Administration and its agencies. The report  
shall include a detailed statement of the expenditures made  
for the activities reported on and the personnel used in  
connection with such activities.

"(f) The Administrator shall establish a process for the  
prompt and appropriate response to information provided the  
Administrator respecting (1) scientific fraud in connection  
with projects for which funds have been made available  
under this title, and (2) incidences of violations of the rights  
of human subjects of research for which funds have been

288

made available under this title. The process shall include procedures for the receiving of reports of such information from recipients of funds under this title and taking appropriate action with respect to such fraud and violations.

"(g) The Secretary, acting through the Administrator, shall make grants to schools of the health professions and schools of social work to support the training of students in such schools in the identification and treatment of alcohol and drug abuse. Grants under this subsection shall be made from funds available under this title and section 303.

"(h) To educate the public with respect to the health hazards of alcoholism, alcohol abuse, and drug abuse, the Administrator shall use the clearinghouse established under section 508(c) to take such actions as may be necessary to ensure the widespread dissemination of current publications of the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse relating to the most recent research findings with respect to such health hazards.

"(i)(1) The Administrator may obtain (in accordance with section 3109 of title 5, United States Code, but without regard to the limitation in such section on the number of days or the period of service) the services of not more than 20 experts or consultants who have scientific or professional

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qualifications. Such experts and consultants shall be ob-  
tained for the Administration and for each of its agencies.

"(2)(A) Experts and consultants whose services are ob-  
tained under paragraph (1) shall be paid or reimbursed for  
their expenses associated with traveling to and from their  
assignment location in accordance with sections 5724,  
5724a(a)(1), 5724a(a)(3), and 5726(c) of title 5, United  
States Code.

"(B) Expenses specified in subparagraph (A) may not  
be allowed in connection with the assignment of an expert  
or consultant whose services are obtained under paragraph  
(1), unless and until the expert or consultant agrees in writ-  
ing to complete the entire period of assignment or one year,  
whichever is shorter, unless separated or reassigned for rea-  
sons beyond the control of the expert or consultant that are  
acceptable to the Secretary. If the expert or consultant vio-  
lates the agreement, the money spent by the United States  
for the expenses specified in subparagraph (A) is recoverable  
from the expert or consultant as a debt of the United States.  
The Secretary may waive in whole or in part a right of re-  
covery under this subparagraph.

"(j) The Administrator shall, without regard to the pro-  
visions of title 5, United States Code, governing appoint-  
ments in the competitive service, and without regard to the  
provisions of chapter 51 and subchapter III of chapter 53 of

such title, relating to classification and General Schedule pay rates, establish such technical and scientific peer review groups as are needed to carry out the requirements of section 507 and appoint and pay members of such groups, except that officers and employees of the United States shall not receive additional compensation for service as members of such groups. The Federal Advisory Committee Act shall not apply to the duration of a peer review group appointed under this subsection.

"(k)(1) The Alcohol, Drug Abuse, and Mental Health Advisory Board (hereinafter in this subsection referred to as the 'Board') shall—

"(A) periodically assess the national needs for alcoholism, alcohol abuse, drug abuse, and mental health services and the extent to which those needs are being met by State, local, and private programs and programs receiving funds under this title and parts B and C of title XIX, and

"(B) provide advice to the Secretary and the Administrator respecting activities carried out under this title and parts B and C of title XIX.

"(2)(A) The Board shall consist of 15 members appointed by the Secretary and such ex officio members from the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Insti-

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of Mental Health as the Secretary may designate. Of  
the members appointed to the Board, at least 6 members  
shall represent State and private, nonprofit providers of pre-  
vention and treatment services for alcoholism, alcohol abuse,  
drug abuse, and mental illness, at least 6 members shall be  
individuals with expertise in public education and preven-  
tion services for alcoholism, alcohol abuse, drug abuse, and  
mental illness, and at least 3 members shall be appointed  
from members of the general public who are knowledgeable  
about alcoholism, alcohol abuse, drug abuse, and mental  
illness.

"(B) The term of office of a member appointed to the  
Board is 4 years, except that of the members first appointed  
to the Board—

- "(i) 5 shall serve for terms of 1 year,
- "(ii) 5 shall serve for terms of 2 years,
- "(iii) 5 shall serve for terms of 3 years,

as designated by the Secretary at the time of appointment.  
Any member appointed to fill a vacancy occurring before the  
expiration of the term for which the predecessor of such  
member was appointed shall be appointed only for the re-  
mainder of such term. A member may serve after the expi-  
ration of the member's term until the successor of the  
member has taken office.

"(3)(A) Except as provided in subparagraph (B), members of the Board shall (i) be paid not more than the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Board, and (ii) while away from their homes or regular places of business and while serving in the business of the Board, be entitled to receive transportation expenses as prescribed by section 5703 of title 5, United States Code.

"(B) Members of the Board who are full-time officers or employees of the United States shall receive no additional pay, allowances, or benefits by reason of their service on the Board.

"(4) The Board may appoint such staff personnel as the Board considers appropriate.

"(5) The Secretary shall designate the chairman of the Board.

"(6) The Board shall meet at least 3 times each calendar year.

"(7) The Board shall report annually to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on its activities during the prior year and shall include in such report such recommendations for legislation and administrative action as it deems appropriate."

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SEC. 4003. ADVISORY COUNCILS.

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(a) Part A of title V is amended by redesignating sections 505 and 506 as sections 506 and 507, respectively, and by inserting after section 504 the following new section:

ADVISORY COUNCILS

Sec. 505. (a)(1) The Secretary shall appoint an advisory council for the National Institute on Alcohol Abuse and Alcoholism, for the National Institute on Drug Abuse, and for the National Institute of Mental Health. Each such advisory council shall advise, consult with, and make recommendations to the Secretary and the Director of the Institute for which it was appointed on matters relating to the activities carried out by and through the Institute and the policies respecting such activities.

(2) Each advisory council for an Institute may recommend to the Secretary acceptance, in accordance with section 2101, of conditional gifts for--



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1           “(A) study, investigation, or research respecting  
2           the diseases, disorders, or other aspect of human health  
3           with respect to which the Institute was established;

4           “(B) the acquisition of grounds for the Institute;  
5           or

6           “(C) the construction, equipping, or maintenance of  
7           facilities for the Institute.

8           “(3) Each advisory council for an Institute--

9           “(A)(1) may on the basis of the materials provided  
10           under section 587(d)(2) respecting research conducted at  
11           the Institute, make recommendations to the Director of  
12           the Institute respecting such research;

13           “(11) shall review applications for grants and  
14           cooperative agreements for research or training and for  
15           which advisory council approval is required under section  
16           587(e)(2), and recommend for approval applications for  
17           projects which show promise of making valuable  
18           contributions to human knowledge; and

19           “(111) may review any grant, contract, or  
20           cooperative agreement proposed to be made or entered into  
21           by the Institute;

22           “(8) may collect, by correspondence or by personal  
23           investigation, information as to studies which are being  
24           carried on in the United States or any other country as  
25           to the diseases, disorders, or other aspect of human

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1 health with respect to which the Institute was  
2 established and with the approval of the Director of the  
3 Institute make available such information through  
4 appropriate publications for the benefit of public and  
5 private health entities and health professions personnel  
6 and scientists and for the information of the general  
7 public; and

8 (C) may appoint subcommittees and convene workshops  
9 and conferences.

10 (b)(1) Each advisory council shall consist of nonvoting  
11 ex officio members and not more than 12 members appointed by  
12 the Secretary.

13 (2) The ex officio members of an advisory council shall  
14 consist of--

15 (A) the Secretary, the Administrator, the Director  
16 of the Institute for which the advisory council is  
17 established, the Chief Medical Director of the Veterans'  
18 Administration, and the Assistant Secretary of Defense  
19 for Health Affairs (or the designees of such officers),  
20 and

21 (B) such additional officers or employees of the  
22 United States as the Secretary determines necessary for  
23 the advisory council to effectively carry out its  
24 functions.

25 (3) The members of an advisory council who are not ex

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1 officio members shall be appointed as follows:

2           “(A) Nine of the members shall be appointed by the  
3 Secretary from among the leading representatives of the  
4 health and scientific disciplines (including public  
5 health and the behavioral or social sciences) relevant to  
6 the activities of the Institute for which the advisory  
7 council is established.

8           “(B) Three of the members shall be appointed by the  
9 Secretary from the general public and shall include  
10 leaders in fields of public policy, public relations,  
11 law, health policy, economics, and management.

12           “(C) Members of an advisory council who are officers or  
13 employees of the United States shall not receive any  
14 compensation for service on the advisory council. The other  
15 members of an advisory council shall receive, for each day  
16 (including travel time) they are engaged in the performance  
17 of the functions of the advisory council, compensation at  
18 rates not to exceed the daily equivalent of the annual rate  
19 in effect for grade GS-18 of the General Schedule.

20           “(D) The term of office of an appointed member of an  
21 advisory council is 4 years, except that any member appointed  
22 to fill a vacancy for an unexpired term shall be appointed  
23 for the remainder of such term and the Secretary shall make  
24 appointments to an advisory council in such manner as to  
25 ensure that the terms of the members do not all expire in the

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1 same year. A member may serve after the expiration of the  
2 member's term until a successor has taken office. A member  
3 who has been appointed for a term of 4 years may not be  
4 reappointed to an advisory council before 2 years from the  
5 date of expiration of such term of office. If a vacancy  
6 occurs in the advisory council among the appointed members,  
7 the Secretary shall make an appointment to fill the vacancy  
8 within 90 days from the date the vacancy occurs.

9 (d) The chairman of an advisory council shall be  
10 selected by the Secretary from among the appointed members,  
11 except that the Secretary may select the Director of the  
12 Institute for which the advisory council is established to be  
13 the chairman of the advisory council. The term of office of  
14 chairman shall be 2 years.

15 (e) The advisory council shall meet at the call of the  
16 chairman or upon the request of the Director of the Institute  
17 for which it was established, but at least 3 times each  
18 fiscal year. The location of the meetings of each advisory  
19 council is subject to the approval of the Director of the  
20 Institute for which the advisory council was established.

21 (f) The Director of the Institute for which an advisory  
22 council is established shall designate a member of the staff  
23 of the Institute to serve as the executive secretary of the  
24 advisory council. The Director of the Institute shall make  
25 available to the advisory council such staff, information,

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1 and other assistance as it may require to carry out its  
2 functions. The Director of the Institute shall provide  
3 orientation and training for new members of the advisory  
4 council to provide them with such information and training as  
5 may be appropriate for their effective participation in the  
6 functions of the advisory council."

7 (b) The amendment made by subsection (a) does not  
8 terminate the membership of any advisory council for the  
9 National Institute on Alcohol Abuse and Alcoholism; the  
10 National Institute on Drug Abuse, or the National Institute  
11 of Mental Health which was in existence on the date of  
12 enactment of this Act. After such date--

13 (1) the Secretary of Health and Human Services shall  
14 make appointments to each such advisory council in such a  
15 manner as to bring about as soon as practicable the  
16 composition for such council prescribed by section 535 of  
17 the Public Health Service Act;

18 (2) each advisory council shall organize itself in  
19 accordance with such section and exercise the functions  
20 prescribed by such section; and

21 (3) the Director of each such Institute shall perform  
22 for such advisory council the functions prescribed by  
23 such section.

24 (c) Section 217 is amended--

25 (1) by striking out subsections (a), (b), (c), and

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1 (d):

2 (2) by striking out "(e)(1)" and inserting in lieu  
3 thereof "(a)";

4 (3) by striking out "(2)" and inserting in lieu  
5 thereof "(b)";

6 (4) by striking out "(3)" and inserting in lieu  
7 thereof "(c)";

8 (5) by striking out "(4)" and inserting in lieu  
9 thereof "(d)"; and

10 (6) by redesignating clauses (A) and (B) of  
11 subsection (c) (as redesignated by the amendment made by  
12 paragraph (4) of this subsection) as clauses (1) and (2),  
13 respectively.

5 SEC. 400A. OFFICE FOR SUBSTANCE ABUSE PREVENTION.

15 (a) Part A of title V (as amended by section 400A of this  
16 Act) is further amended by adding at the end thereof the  
17 following new sections:

18 "OFFICE FOR SUBSTANCE ABUSE PREVENTION

19 "Sec. 508. (a) There is established in the  
20 Administration an Office for Substance Abuse Prevention  
21 (hereafter in this part referred to as the 'Office'). The  
22 Office shall be headed by a Director appointed by the  
23 Secretary from individuals with extensive experience or  
24 academic qualifications in the prevention of drug or alcohol  
25 abuse.

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- 1        "(b) The Director of the Office shall--
- 2            "(1) sponsor regional workshops on the prevention of
- 3        drug and alcohol abuse;
- 4            "(2) coordinate the findings of research sponsored
- 5        by agencies of the Service on the prevention of drug and
- 6        alcohol abuse;
- 7            "(3) develop effective drug and alcohol abuse
- 8        prevention literature (including literature on the
- 9        adverse effects of cocaine free base (known as 'crack');
- 10          "(4) in cooperation with the Secretary of Education,
- 11        assure the widespread dissemination of prevention
- 12        materials among States, political subdivisions, and
- 13        school systems;
- 14          "(5) support programs of clinical training of
- 15        substance abuse counselors and other health
- 16        professionals;
- 17          "(6) in cooperation with the Director of the Centers
- 18        for Disease Control, develop educational materials to
- 19        reduce the risks of acquired immune deficiency syndrome
- 20        among intravenous drug abusers;
- 21          "(7) conduct training, technical assistance, data
- 22        collection, and evaluation activities of programs
- 23        supported under the Drug Free Schools and Communities Act
- 24        of 1986;
- 25          "(8) support the development of model, innovative,

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1 community-based programs to discourage alcohol and drug  
2 abuse among young people; and

3 "(9) prepare for distribution documentary films and  
4 public service announcements for television and radio to  
5 educate the public concerning the dangers to health  
6 resulting from the consumption of alcohol and drugs and,  
7 to the extent feasible, use appropriate private  
8 organizations and business concerns in the preparation of  
9 such announcements.

10 "(c) The Director may make grants and enter into  
11 contracts and cooperative agreements in carrying out  
12 subsection (b).

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13 ~~of~~ (d) of the amounts available under the second sentence  
14 of section 1921(a) to carry out this section and section  
15 \$20,000,000 shall be available to carry out section ~~1921~~

509A

16 "ALCOHOL AND DRUG ABUSE INFORMATION CLEARINGHOUSE

17 "Sec. 509. The Secretary, through the Director of the  
18 Office, shall establish a clearinghouse for alcohol and drug  
19 abuse information to assure the widespread dissemination of  
20 such information to States, political subdivisions,  
21 educational agencies and institutions, health and drug  
22 treatment and rehabilitation networks, and the general  
23 public. The clearinghouse shall--

24 "(1) disseminate publications by the National  
25 Institute on Alcohol Abuse and Alcoholism, the National

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1 Institute on Drug Abuse, and the Department of Education  
2 concerning alcohol abuse and drug abuse;

3 "(2) disseminate accurate information concerning the  
4 health effects of alcohol abuse and drug abuse;

5 "(3) collect and disseminate information concerning  
6 successful alcohol abuse and drug abuse education and  
7 prevention curricula; and

8 "(4) collect and disseminate information on  
9 effective and ineffective school-based alcohol abuse and  
10 drug abuse education and prevention programs,  
11 particularly effective programs which stress that the use  
12 of illegal drugs and the abuse of alcohol is wrong and  
13 harmful.

14 "PREVENTION, TREATMENT, AND REHABILITATION MODEL PROJECTS  
15 FOR HIGH RISK YOUTH

16 509A "Sec. 509A (a) The Secretary, through the Director of  
17 the Office, shall make grants to public and nonprofit private  
18 entities for projects to demonstrate effective models for the  
19 prevention, treatment, and rehabilitation of drug abuse and  
20 alcohol abuse among high risk youth.

21 "(b)(1) In making grants for drug abuse and alcohol  
22 abuse prevention projects under this section, the Secretary  
23 shall give priority to applications for projects directed at  
24 children of substance abusers, latchkey children, children at  
25 risk of abuse or neglect, preschool children eligible for

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1 services under the Head Start Act, children at risk of  
2 dropping out of school, children at risk of becoming  
3 adolescent parents, and children who do not attend school and  
4 who are at risk of being unemployed.

5       “(2) In making grants for drug abuse and alcohol abuse  
6 treatment and rehabilitation projects under this section, the  
7 Secretary shall give priority to projects which address the  
8 relationship between drug abuse or alcohol abuse and physical  
9 child abuse, sexual child abuse, emotional child abuse,  
10 dropping out of school, unemployment, delinquency, pregnancy,  
11 violence, suicide, or mental health problems.

12       “(3) In making grants under this section, the Secretary  
13 shall give priority to applications from community based  
14 organizations for projects to develop innovative models with  
15 multiple, coordinated services for the prevention or for the  
16 treatment and rehabilitation of drug abuse or alcohol abuse  
17 by high risk youth.

18       “(4) In making grants under this section, the Secretary  
19 shall give priority to applications for projects to  
20 demonstrate effective models with multiple, coordinated  
21 services which may be replicated and which are for the  
22 prevention or for the treatment and rehabilitation of drug  
23 abuse or alcohol abuse by high risk youth.

24       “(c) To the extent feasible, the Secretary shall make  
25 grants under this section in all regions of the United

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1 States, and shall ensure the distribution of grants under  
2 this section among urban and rural areas.

3 ~~“(d)(1) In order to receive a grant for a project under  
4 this section for a fiscal year, a public or nonprofit private  
5 entity shall submit an application to the Governor of the  
6 State in which the project will be conducted. Such  
7 application shall be in such form, shall contain such  
8 information, and shall be submitted at such time as the  
9 Secretary may by regulation prescribe.~~

10 ~~“(2) The Governor of each State shall review each  
11 application received under subsection (a) for a fiscal year  
12 and shall submit to the Secretary, by a date prescribed by  
13 the Secretary for such fiscal year, the recommendations of  
14 the Governor concerning the approval or disapproval of each  
15 such application and a ranking recommended by the Governor of  
16 the priority for approval of such applications. In making  
17 recommendations under the preceding sentence, the Governor  
18 shall consider the priorities and requirements for grants  
19 established by subsections (b) and (c).~~

20 ~~“(e) The Director of the Office shall evaluate projects  
21 conducted with grants under this section.~~

22 ~~“(f) For purposes of this section, the term ‘high risk  
23 youth’ means an individual who has not attained the age of 21  
24 years, who is at high risk of becoming, or who has become, a  
25 drug abuser or an alcohol abuser, and who--~~

to the Secretary, acting through the Office. The Secretary  
may provide to Governor of the State the opportunity  
review and comment on such application.

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- 1            “(1) is identified as a child of a substance abuser;
- 2            “(2) is a victim of physical, sexual, or
- 3            psychological abuse;
- 4            “(3) has dropped out of school;
- 5            “(4) has become pregnant;
- 6            “(5) is economically disadvantaged;
- 7            “(6) has committed a violent or delinquent act;
- 8            “(7) has experienced mental health problems;
- 9            “(8) has attempted suicide; or
- 10           “(9) is disabled by injuries.”.

11           (b)(1) Section 502(e) is repealed.

12           (2) Section 503(d) is amended—

13           (A) by inserting “and” at the end of paragraph (2);

14           (B) by striking out “; and” at the end of paragraph

15           (3) and inserting in lieu thereof a period; and

16           (C) by striking out paragraph (4).

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17           SEC. 400A. PUBLIC HEALTH EMERGENCIES.

(4)

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18           Part A of title V (as amended by sections 400A and 400A

19           of this Act) is further amended by adding at the end thereof

20           the following:

509B

21           “RESEARCH ON PUBLIC HEALTH EMERGENCIES

22           “Sec. ~~400A~~. (a) If the Secretary determines, after

23           consultation with the Administrator, the Commissioner of Food

24           and Drugs, or the Director of the Centers for Disease

25           Control, that a disease or disorder within the jurisdiction

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1 of an Institute of the Administration constitutes a public  
2 health emergency, the Secretary, acting through the  
3 Administrator--

4       “(1) shall expedite the review by advisory councils  
5 and by peer review groups of applications for grants for  
6 research on such disease or disorder or proposals for  
7 contracts for such research;

8       “(2) shall exercise the authority in section 3709 of  
9 the Revised Statutes (41 U.S.C. 5) respecting public  
10 exigencies to waive the advertising requirements of such  
11 section in the case of proposals for contracts for such  
12 research;

13       “(3) may provide administrative supplemental  
14 increases in existing grants and contracts to support new  
15 research relevant to such disease or disorder; and

16       “(4) shall disseminate, to health professionals and  
17 the public, information on the cause, prevention, and  
18 treatment of such disease or disorder that has been  
19 developed in research assisted under this section.

20 The amount of an increase in a grant or contract provided  
21 under paragraph (3) may not exceed one-half the original  
22 amount of the grant or contract.

23       “(b) Not later than 90 days after the end of a fiscal  
24 year, the Secretary shall report to the Committee on Energy  
25 and Commerce of the House of Representatives and the

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1 Committee on Labor and Human Resources of the Senate on  
2 actions taken under subsection (a) in such fiscal year if any  
3 actions were taken under such subsection in such fiscal  
4 year."

7) 5 SEC. 400A. PEER REVIEW.

6 Subsection (b) of section 507 (as redesignated by section  
7 400A(a) of this Act) is amended by inserting "applications  
8 made for" after "review of" in the matter preceding  
9 paragraph (1).

8) 10 SEC. 400A. NATIONAL ALCOHOL RESEARCH CENTERS.

11 Section 511(b) is amended--

12 (1) by striking out "or rental" before "any  
13 land"; and

14 (2) by striking out "rental," before "purchase".

9) 15 SEC. 400A. EXPANSION OF DRUG ABUSE RESEARCH.

16 Section 515(a) is amended--

17 (1) by striking out "and" after the semicolon in  
18 paragraph (4);

19 (2) by striking out paragraph (5) and inserting in  
20 lieu thereof the following:

21 "(5) effective methods of drug abuse prevention,  
22 treatment, and rehabilitation, particularly methods of  
23 intervention to treat abuse of specific drugs; and"; and

24 (3) by adding at the end thereof the following:

25 "(6) the development of chemical antidotes and

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1 narcotic antagonists for use in the treatment of cocaine  
2 and heroin addiction.".

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3 SEC. 400. RESEARCH AUTHORIZATION.

4 (a) Section 513 is amended to read as follows:

5 "AUTHORIZATIONS OF APPROPRIATIONS

6 "Sec. 513. There are authorized to be appropriated to  
7 carry out this subpart \$69,000,000 for fiscal year 1987.".

8 (b) Section 517 is amended to read as follows:

9 "AUTHORIZATIONS OF APPROPRIATIONS

10 "Sec. 517. There are authorized to be appropriated to  
11 carry out this subpart \$129,000,000 for fiscal year 1987.".

11

12 SEC. 401. SUICIDE.

13 (a) Section 504 is amended by adding at the end thereof  
14 the following new subsection:

15 "(h) The Director shall--

16 "(1) develop and publish information respecting the  
17 causes of suicide and the means of preventing suicide;  
18 and

19 "(2) make such information generally available to  
20 the public and health professionals.

21 Information developed, published, and distributed under this  
22 subsection shall especially relate to suicide among  
23 individuals under the age of 21.".

24 (b) Not later than one year after the date of enactment  
25 of this Act, the Director of the National Institute of Mental

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1 Health shall report to Committee on Labor and Human Resources  
 2 of the Senate and the Committee on Energy and Commerce of the  
 3 House of Representatives on the activities undertaken under  
 4 section 504(h) of the Public Health Service Act and shall  
 5 include in such report an assessment of the effectiveness of  
 6 such activities.

12

7 SEC. 401. MENTAL HEALTH NEEDS OF THE ELDERLY.

8 Section 504(c) is amended by adding at the end thereof  
 9 the following: "Special consideration shall be given to  
 10 programs for training and research on the mental health needs  
 11 of the elderly."

13

12 SEC. 402. TECHNICAL AMENDMENT.

13 Section 504(e) is amended by striking out the period at  
 14 the end of paragraph (2)(A) and inserting in lieu thereof a  
 15 semicolon.

14

16 SEC. 403. INFANT FORMULAS.

17 (a) Section 412 of the Federal Food, Drug, and Cosmetic  
 18 Act is amended--

19 (1) by redesignating subsections (e), (f), and (g) as  
 20 subsections (g), (h), and (i), respectively,

21 (2) by amending the last sentence of paragraph (1) of  
 22 subsection (g) (as so redesignated) to read as follows:  
 23 "Such records shall be retained for at least one year  
 24 after the expiration of the shelf life of the infant  
 25 formula."

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1 (3) by striking out "(a) and (b)" in the first  
 2 sentence of subsection (h)(1) (as so redesignated) and  
 3 inserting in lieu thereof "(a), (b), and (c)",  
 4 (4) by striking out "(c)(1)" in the second sentence  
 5 of such subsection and inserting in lieu thereof  
 6 "(e)(1)",  
 7 (5) by striking out "(e)(1)(B)" in such sentence  
 8 and inserting in lieu thereof "(d)(1)(B)",  
 9 (6) by striking out "(a) and (b)" in subsection  
 10 (h)(2) (as so redesignated) and inserting in lieu thereof  
 11 "(a), (b), and (c)", and  
 12 (7) by striking out subsections (a) through (d) and  
 13 inserting in lieu thereof the following:  
 14 "(a) An infant formula, including an infant formula  
 15 powder, shall be deemed to be adulterated if--  
 16 "(1) such infant formula does not provide nutrients  
 17 as required by subsection (1),  
 18 "(2) such infant formula does not meet the quality  
 19 factor requirements prescribed by the Secretary under  
 20 subsection (b)(1), or  
 21 "(3) the processing of such infant formula is not in  
 22 compliance with the good manufacturing practices and the  
 23 quality control procedures prescribed by the Secretary  
 24 under subsection (b)(2).  
 25 "(b)(1) The Secretary shall by regulation establish

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1 requirements for quality factors for infant formulas to the  
2 extent possible consistent with current scientific knowledge,  
3 including quality factor requirements for the nutrients  
4 required by subsection (1).

5       “(2)(A) The Secretary shall by regulation establish good  
6 manufacturing practices for infant formulas, including  
7 quality control procedures that the Secretary determines are  
8 necessary to assure that an infant formula provides nutrients  
9 in accordance with this subsection and subsection (1) and is  
10 manufactured in a manner designed to prevent adulteration of  
11 the infant formula.

12       “(B) The good manufacturing practices and quality  
13 control procedures prescribed by the Secretary under  
14 subparagraph (A) shall include requirements for--

15               “(1) the testing, in accordance with paragraph (3)  
16 and by the manufacturer of an infant formula or an agent  
17 of such manufacturer, of each batch of infant formula for  
18 each nutrient required by subsection (1) before the  
19 distribution of such batch,

20               “(ii) regularly scheduled testing, by the  
21 manufacturer of an infant formula or an agent of such  
22 manufacturer, of samples of infant formulas during the  
23 shelf life of such formulas to ensure that such formulas  
24 are in compliance with this section,

25               “(iii) in-process controls including, where

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1 necessary, testing required by good manufacturing  
2 practices designed to prevent adulteration of each batch  
3 of infant formula, and

4 (iv) the conduct by the manufacturer of an infant  
5 formula or an agent of such manufacturer of regularly  
6 scheduled audits to determine that such manufacturer has  
7 complied with the regulations prescribed under  
8 subparagraph (A).

9 In prescribing requirements for audits under clause (iv), the  
10 Secretary shall provide that such audits be conducted by  
11 appropriately trained individuals who do not have any direct  
12 responsibility for the manufacture or production of infant  
13 formula.

14 (3)(A) At the final product stage, each batch of infant  
15 formula shall be tested for vitamin A, vitamin B1, vitamin C,  
16 and vitamin E to ensure that such infant formula is in  
17 compliance with the requirements of this subsection and  
18 subsection (1) relating to such vitamins.

19 (B) Each nutrient premix used in the manufacture of an  
20 infant formula shall be tested for each relied upon nutrient  
21 required by subsection (1) which is contained in such premix  
22 to ensure that such premix is in compliance with its  
23 specifications or certifications by a premix supplier.

24 (C) During the manufacturing process or at the final  
25 product stage and before distribution of an infant formula,

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1 an infant formula shall be tested for all nutrients required  
2 to be included in such formula by subsection (1) for which  
3 testing has not been conducted pursuant to subparagraph (A)  
4 or (3). Testing under this subparagraph shall be conducted  
5 to--

6        “(1) ensure that each batch of such infant formula  
7 is in compliance with the requirements of subsection (1)  
8 relating to such nutrients, and

9        “(11) confirm that nutrients contained in any  
10 nutrient premix used in such infant formula are present  
11 in each batch of such infant formula in the proper  
12 concentration.

13       “(D) If the Secretary adds a nutrient to the list of  
14 nutrients in the table in subsection (1), the Secretary shall  
15 by regulation require that the manufacturer of an infant  
16 formula test each batch of such formula for such new nutrient  
17 in accordance with subparagraph (A), (B), or (C).

18       “(E) For purposes of this paragraph, the term ‘final  
19 product stage’ means the point in the manufacturing process,  
20 before distribution of an infant formula, at which an infant  
21 formula is homogenous and is not subject to further  
22 degradation.

23       “(4)(A) The Secretary shall by regulation establish  
24 requirements respecting the retention of records. Such  
25 requirements shall provide for--

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1            “(1) the retention of all records necessary to  
 2 demonstrate compliance with the good manufacturing  
 3 practices and quality control procedures prescribed by  
 4 the Secretary under paragraph (2), including records  
 5 containing the results of all testing required under  
 6 paragraph (2)(3),

7            “(ii) the retention of all certifications or  
 8 guarantees of analysis by premix suppliers,

9            “(iii) the retention by a premix supplier of all  
 10 records necessary to confirm the accuracy of all premix  
 11 certifications and guarantees of analysis,

12           “(iv) the retention of--

13            “(I) all records pertaining to the  
 14 microbiological quality and purity of raw materials  
 15 used in infant formula powder and in finished infant  
 16 formula, and

17            “(II) all records pertaining to food packaging  
 18 materials which show that such materials do not cause  
 19 an infant formula to be adulterated within the  
 20 meaning of section 402(a)(2)(C),

21           “(v) the retention of all records of the results of  
 22 regularly scheduled audits conducted pursuant to the  
 23 requirements prescribed by the Secretary under paragraph  
 24 (2)(3)(iv), and

25           “(vi) the retention of all complaints and the