

Calendar No. 423

110TH CONGRESS
1ST SESSION**H. R. 400**

IN THE SENATE OF THE UNITED STATES

OCTOBER 15, 2007

Received

OCTOBER 17, 2007

Read twice and placed on the calendar

AN ACT

To prohibit profiteering and fraud relating to military action, relief, and reconstruction efforts, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “War Profiteering Pre-
5 vention Act of 2007”.

6 **SEC. 2. PROHIBITION OF PROFITEERING.**

7 (a) PROHIBITION.—

8 (1) IN GENERAL.—Chapter 47 of title 18,
9 United States Code, is amended by adding at the
10 end the following:

1 **“§ 1040. War profiteering and fraud**

2 “(a) PROHIBITION.—Whoever, in any matter involv-
3 ing a contract with, or the provision of goods or services
4 to, the United States or a provisional authority, in connec-
5 tion with a mission of the United States Government over-
6 seas, knowingly—

7 “(1)(A) executes or attempts to execute a
8 scheme or artifice to defraud the United States or
9 that authority; or

10 “(B) materially overvalues any good or service
11 with the intent to defraud the United States or that
12 authority;

13 shall be fined not more than \$1,000,000 or impris-
14 oned not more than 20 years, or both; or

15 “(2) in connection with the contract or the pro-
16 vision of those goods or services—

17 “(A) falsifies, conceals, or covers up by any
18 trick, scheme, or device a material fact;

19 “(B) makes any materially false, fictitious,
20 or fraudulent statements or representations; or

21 “(C) makes or uses any materially false
22 writing or document knowing the same to con-
23 tain any materially false, fictitious, or fraudu-
24 lent statement or entry;

25 shall be fined not more than \$1,000,000 or impris-
26 oned not more than 10 years, or both.

1 “(b) EXTRATERRITORIAL JURISDICTION.—There is
2 extraterritorial Federal jurisdiction over an offense under
3 this section.

4 “(c) VENUE.—A prosecution for an offense under
5 this section may be brought—

6 “(1) as authorized by chapter 211 of this title;

7 “(2) in any district where any act in further-
8 ance of the offense took place; or

9 “(3) in any district where any party to the con-
10 tract or provider of goods or services is located.”.

11 (2) TABLE OF SECTIONS.—The table of sections
12 for chapter 47 of title 18, United States Code, is
13 amended by adding at the end the following:

“1040. War profiteering and fraud.”.

14 (b) CRIMINAL FORFEITURE.—Section 982(a)(2)(B)
15 of title 18, United States Code, is amended by striking
16 “or 1030” and inserting “1030, or 1040”.

17 (c) MONEY LAUNDERING.—Section 1956(e)(7)(D) of
18 title 18, United States Code, is amended by inserting “sec-
19 tion 1040 (relating to war profiteering and fraud),” after
20 “liquidating agent of financial institution),”.

21 (d) RICO.—Section 1961(1) of title 18, United
22 States Code, is amended by inserting “section 1040 (relat-

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