



U.S. Department of Justice

Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

MAR 11 2013

RECEIVED MAR 12 2013

The Honorable Patrick J. Leahy
Chairman
Committee on the Judiciary
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

We are pleased to submit this letter in fulfillment of the reporting requirement in the Fraud Enforcement and Recovery Act of 2009 (FERA), Pub. L. No. 111-21, 123 Stat. 1617 (effective May 20, 2009). An identical letter has been sent to the Chairman of the House Judiciary Committee.

FERA included a "Sense of Congress" provision stating that money laundering prosecutions should be approved by a Department official if the conduct to be charged as money laundering is so closely connected with the conduct to be charged as the underlying "specified unlawful activity" that there is no clear delineation between the two offenses. FERA further provided that the Department submit annual reports to the House and Senate Committees on the Judiciary for the first five years after the date of FERA's enactment. Specifically, the Department was asked to report: (i) the number of prosecutions that were undertaken after approval by an appropriate official during the reporting year (May to May), (ii) the number of prosecutions that were undertaken during the reporting year without prior approval, and (iii) the number of times during the reporting year in which the Department denied approval for a prosecution.

As a result of procedures established by the Assistant Attorney General of the Criminal Division and incorporated into the United States Attorneys' Manual, all federal prosecutors must consult with the Department's Asset Forfeiture and Money Laundering Section (AFMLS) prior to filing an indictment or complaint that includes a money laundering offense of the type described above. During the period between May 2011 and May 2012, federal prosecutors consulted with AFMLS in hundreds of cases on money laundering charging issues. Among those cases, there was only one reported instance in which a prosecutor sought and received approval from his U.S. Attorney to charge money laundering activity that fell within the parameters described above. In all other cases, prosecutors chose not to pursue those charges falling within those parameters, and therefore did not seek approval from a Department official. To our knowledge, no prosecutions were undertaken without obtaining prior approval nor were there any instances where a request to prosecute money laundering offenses was denied.

The Honorable Patrick J. Leahy
Page Two

We trust this information is helpful. Please do not hesitate to contact this office if we may be of assistance with this or any other matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Judith C. Appelbaum". The signature is fluid and cursive, with a long horizontal stroke at the end.

Judith C. Appelbaum
Principal Deputy Assistant Attorney General

cc: The Honorable Charles E. Grassley
Ranking Minority Member
Committee on the Judiciary
United States Senate