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**AN BILLE UM FHÁLTAIS Ó CHOIREACHT (LEASÚ) 2003**  
**PROCEEDS OF CRIME (AMENDMENT) BILL 2003**

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**EXPLANATORY MEMORANDUM**

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*Introduction*

A great deal of hardship and suffering has been inflicted on communities throughout Ireland, both rural and urban, as a result of the activities of criminals engaged in the importation, distribution and sale of drugs. The Proceeds of Crime Act 1996 was introduced to provide for the civil forfeiture of the proceeds of crime. It is a piece of legislation that has been used extensively and to very good effect on criminals. Despite large sums of monies which have been seized from these criminals in recent years, the money seized must be held for 7 years and must go straight to the Exchequer, meaning that none has been applied directly to redressing the problems created by those engaged in creating our massive drugs problem.

*Purpose of the Bill*

The purpose of this Bill is to redress some difficulties with regard to the retention and expenditure of the proceeds of crime which accrue under the Act of 1996. It is to be effected by making three minor textual amendments to the Act of 1996.

*Provisions of the Bill*

*Section 3* inserts a new definition into section 1(1) of the Act of 1996 so as to introduce a definition of “drug related initiatives”. The insertion of this definition enables the Minister for Justice to ensure that the proceeds of crime seized by the State are applied to appropriate organisations and initiatives who are focussed on redressing the damage caused by those engaged in drug related activities.

*Section 4(1)* textually amends section 4(1) of the Act of 1996 by reducing the waiting period from 7 years down to 3 years. The Proceeds of Crime Act 1996 has enabled the authorities to accumulate considerable sums, which under the 1996 Act, once acquired, must be retained for a period of at least 7 years. The period of 7 years is unnecessarily excessive.

*Section 4(2)* textually amends section 4(5) of the Act of 1996 so as to ensure that the monies seized will be applied to redress some of the problems caused by those engaged in drug importation, distribution and sale. It does so by enabling the Minister for Justice to identify drug related initiatives (defined in section 3 of this Bill) upon which the proceeds of crime should be expended.

The *Table* to section 4 of the Bill sets out the text of section 4 of the Act of 1996 with the proposed amendments having been incorporated.

*An Teachta Fergus Ó Dubhda*  
*Meitheamh, 2003.*