

I also want to thank my colleagues, the gentleman from North Carolina (Mr. BUDD) and also the gentleman from Tennessee (Mr. COHEN), who have also contributed hard work in developing and cosponsoring this legislation.

Foreign dictators who rob the treasuries of developing nations, where independent judiciaries are rare, and the rule of law is often weak, is not a new problem; but, unfortunately, it is a growing problem.

It is now estimated that more than \$1 trillion is lost to bribes and official corruption around the world each year. A significant portion of those illicit proceeds are used to support organized crime and terrorist organizations, further destabilizing the social institutions where this corruption occurs, often in developing countries who can least afford it.

This undermines the local rule of law and contributes to the regional insecurity and instabilities in neighboring countries.

Governments that are weakened by corruption have fewer resources to provide basic services, to establish a stable business climate, and to create jobs. They also have fewer resources to devote to building strong law enforcement and judicial institutions to combat exploitation by terrorists and criminal organizations.

It is a sad fact that today much of this stolen money ends up here, in bank accounts right here in the United States.

H.R. 389 fights back against the spreading influence of this corruption. The Kleptocracy Asset Recovery Rewards Act establishes a rewards program to incentivize individuals to notify law enforcement and authorities of assets stolen from foreign treasuries and illegally transferred to the United States.

Now, I appreciate the gentleman's concerns about making sure that bad actors don't participate in this incentive program.

This program replicates the incentives that have been utilized by the United States Department of Justice and the FBI for decades to take down criminal drug cartels with the help of paid informants.

While the United States has many effective programs to reward individuals who provide valuable information toward curbing criminal behavior, none of our programs currently have been designed to take aim at recovering stolen assets linked to foreign government kleptocracy.

Kleptocracy by foreign leaders can drain the hope and faith of struggling peoples around the globe who strive for social justice and equal rights.

This bill recognizes that foreign corruption takes many forms and that individuals who come forward to expose corruption often do so at great personal peril to themselves and to their families.

So, as transnational criminal enterprises persist, and terrorists adapt to

the different mechanisms that we use, we must provide law enforcement with fresh tools to address these emerging threats.

H.R. 389 does exactly that.

Mr. Speaker, I want to thank, again, the chairwoman for her cooperation and leadership. I thank my colleagues on the other side, especially Mr. BUDD, for his work on this bill as well. I thank my colleagues on both sides of the aisle for working with me on this legislation.

Mr. Speaker, I urge a "yes" vote.

Mr. STIVERS. Mr. Speaker, H.R. 389 will give the Treasury an additional tool to fight corrupt foreign governments. There has been a lot of work done on this bill. It is a good bill. I urge my colleagues to support it, and I yield back the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I am very pleased that Mr. LYNCH and Mr. BUDD have presented this bipartisan bill to the House. We must not allow the United States financial system to be a haven for stolen assets that rightly belong to others.

By incentivizing individuals to come forward with information about where these stolen assets are hidden, we ensure the financial security of our system and can help send back recovered assets to where they belong.

Mr. Speaker, I urge my colleagues to join me in supporting this important piece of legislation, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 389, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

BUILDING UP INDEPENDENT LIVES AND DREAMS ACT

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1060) to provide regulatory relief to charitable organizations that provide housing assistance, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1060

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Building Up Independent Lives and Dreams Act" or the "BUILD Act".

SEC. 2. MORTGAGE LOAN TRANSACTION DISCLOSURE REQUIREMENTS.

(a) TILA AMENDMENT.—Section 105 of the Truth in Lending Act (15 U.S.C. 1604) is amended by inserting after subsection (d) the following:

"(e) DISCLOSURE FOR CHARITABLE MORTGAGE LOAN TRANSACTIONS.—With respect to a

mortgage loan transaction involving a residential mortgage loan offered at 0 percent interest primarily for charitable purposes by an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code, forms HUD-1 and GFE (as defined under section 1024.2(b) of title 12, Code of Federal Regulations) together with a disclosure substantially in the form of the Loan Model Form H-2 (as depicted in Appendix H to part 1026 of title 12, Code of Federal Regulations) shall, collectively, be an appropriate model form for purposes of subsection (b) of this section."

(b) RESPA AMENDMENT.—Section 4 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2603) is amended by adding at the end the following:

"(d) DISCLOSURE FOR CHARITABLE MORTGAGE LOAN TRANSACTIONS.—With respect to a mortgage loan transaction involving a residential mortgage loan offered at 0 percent interest primarily for charitable purposes, an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code may use forms HUD-1 and GFE (as defined under section 1024.2(b) of title 12, Code of Federal Regulations) together with a disclosure substantially in the form of the Loan Model Form H-2 (as depicted in Appendix H to part 1026 of title 12, Code of Federal Regulations), collectively, in lieu of the disclosure published under subsection (a) of this section."

(c) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Director of the Bureau of Consumer Financial Protection shall issue such regulations as may be necessary to implement the amendments made by subsections (a) and (b).

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act.

SEC. 3. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation" for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentleman from Ohio (Mr. STIVERS) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to support H.R. 1060, the BUILD Act, which is bipartisan legislation authored by Representatives LOUDERMILK and SHERMAN that will allow nonprofit organizations like Habitat for Humanity, offering mortgage loans for charitable purposes

to use alternative forms to satisfy disclosure requirements.

Specifically, this bill would allow bona fide nonprofits which are eligible for tax-exempt charitable donations to have the option to use the Truth in Lending, Good Faith Estimate, and HUD-1 forms instead of TRID forms required by the TILA-RESPA Integrated Disclosure Rule. They may only do so in limited circumstances where they offer a zero percent interest loan.

Currently, financial institutions that make five or fewer mortgage loans a year are allowed to use these alternative disclosure forms, including the HUD-1 form, instead of the TRID form.

This bill simply extends this flexibility to eligible nonprofit charities in very limited circumstances, even if they make more than five mortgage loans a year.

Passing this bipartisan legislation will help nonprofits do their important work in helping families in our communities build and improve places to call home.

For example, the vast majority of the more than 1,200 local Habitat organizations in all 50 States are small, community-based organizations with very small mortgage portfolios and few, if any, full-time staff and rely on volunteers for much of their operations.

The BUILD Act will help charities like Habitat help families get a home of their own, but still ensures the material terms and costs of mortgage loans are clearly disclosed to the borrower.

Mr. Speaker, I thank Representatives LOUDERMILK and SHERMAN for their work on this bill, and I urge my colleagues to support H.R. 1060, the BUILD Act.

Mr. Speaker, I reserve the balance of my time.

Mr. STIVERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1060, the BUILD Act. This bipartisan legislation addresses an unintended consequence of the Know Before You Owe disclosure rule, better known as TRID.

The BUILD Act is a straightforward solution, and it allows bona fide nonprofits making zero percent interest loans to use whichever Truth in Lending form they feel is better. They can use the Truth in Lending, Good Faith Estimate, and the HUD-1 form instead of the TRID forms, or they can choose the TRID forms.

Currently, organizations making five or fewer mortgage loans are exempt from using the TRID forms. This extends that exemption to charities making zero percent interest loans, regardless of how many loans they make per year.

The costs and complexities associated with TRID have left charities like Habitat for Humanity struggling to provide mortgages. These nonprofits have limited resources. In fact, many of their 1,200 community-based affiliates have little or no full-time staff.

Despite their size, these organizations play a pivotal role in our communities. Today, the House will play a small part in helping them continue to serve our communities.

Mr. Speaker, I want to thank my colleagues, the gentleman from Georgia (Mr. LOUDERMILK) and the gentleman from California (Mr. SHERMAN). They have worked together diligently on this legislation for several years and should be commended for their efforts.

I want to thank the chairwoman, Ms. WATERS of California, for her efforts on this.

Mr. Speaker, I urge this legislation to be supported, and I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. SHERMAN), a senior member of the Financial Services Committee and lead cosponsor of this bill.

Mr. SHERMAN. Mr. Speaker, I thank the chairwoman for yielding time.

Mr. Speaker, I want to thank my colleague from Georgia (Mr. LOUDERMILK). It has been a pleasure working with him on this bill, the Building Up Independent Lives and Dreams, or BUILD, Act. He has worked hard to get this over the goal line and has worked in a collaborative and bipartisan process.

We have heard from a number of Habitat for Humanity chapters across the Nation who make more than five loans a year and are having difficulty complying with the mandatory TILA/RESPA Integrated Disclosure form. They believe it has additional costs and complexity, especially when they had previously set up their systems to deal with the old forms.

The BUILD Act is straightforward and addresses those concerns. The bill allows a bona fide nonprofit that makes zero interest rate loans, like Habitat for Humanity, the flexibility in deciding which disclosure forms to use.

They can either use the relatively new TILA/RESPA Integrated Disclosure form, or they can use the three previously required forms: the Truth in Lending form, the Good Faith Estimate form, and the HUD-1 form.

This bill is supported by Habitat for Humanity International and the National Housing Conference.

It is a narrow tweak to ensure that nonprofits offering zero percent interest loans can focus on helping people get housing rather than focus on reprogramming their system to deal with the new TILA/RESPA Integrated Disclosure form.

This bill passed our committee 53 to 0 last year. It passed this House by voice vote last year. It went over to the Senate, where the Senate did what it all too frequently does, which is nothing.

I look forward to giving the Senate another opportunity by sending this bill back to them, since it has not only overwhelming but unanimous support here in the House of Representatives.

Mr. Speaker, I urge my colleagues to vote "yes" on this bill.

Mr. STIVERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. LOUDERMILK). He is not only an Air Force veteran, but his wife came up with the acronym for this bill.

□ 1730

Mr. LOUDERMILK. Mr. Speaker, I thank the gentleman from Ohio (Mr. STIVERS) not only for yielding time in support of my bill but giving the creative one in my family recognition for the pithy acronym that goes with this legislation.

Mr. Speaker, as has been stated, my bill is the Building Up Independent Lives and Dreams Act, which is also known as the BUILD Act.

First, I thank my colleagues on both sides of the aisle who have worked with me to make this a strong, bipartisan effort.

I appreciate the gentleman from California (Mr. SHERMAN) for cosponsoring this bill and for his work, with our staffs working together, to make this is a bill as perfected as we can.

I thank Chairwoman WATERS and Ranking Member MCHENRY for recommending this bill to come to the floor for a vote.

I also thank the gentlewoman from New York (Ms. VELÁZQUEZ) for her support and cosponsorship of this important legislation.

Last year, it was brought to my attention that certain regulations enacted by Dodd-Frank were placing a significant burden on charitable organizations that provide low-cost housing to needy families. These nonprofits were having to spend an excessive amount of time and resources complying with these new regulations, which were ultimately designed for large mortgage lenders.

The time and effort that they were spending on regulatory compliance was taking resources away from these nonprofits' core mission of providing affordable housing.

The problem, as I learned, was that the Dodd-Frank Act required the Consumer Financial Protection Bureau to combine the TILA loan estimate and the RESPA closing disclosure forms into one integrated mortgage disclosure form called TRID.

While the intention of the new TRID forms was to ensure that home buyers received essential information about the costs and terms of their home loans, the unintended consequences of this one-size-fits-all approach significantly impacted nonprofit organizations, such as Habitat for Humanity.

The TRID rule is nearly 2,000 pages long, very complex, and includes disclosure forms for things such as balloon loans and adjustable rate mortgages. While these types of loans may be applicable to traditional mortgage lenders, they are not relevant to these nonprofits. These new rules and their associated forms have caused confusion

for home buyers, staff, and volunteers of these charitable organizations.

To further complicate the matter, the new TRID disclosures were designed to be completed by computer software. However, these software applications are much too costly for many local Habitat affiliates and other nonprofits.

The vast majority of more than 1,200 Habitat groups nationwide are small, community-based organizations with very small mortgage portfolios. Few, if any, have full-time staff. These organizations have experienced challenges with the costs and the complexity of the TRID mortgage disclosure forms.

To remedy these problems, and to provide regulatory relief to these nonprofits, the BUILD Act exempts charities from the cost and complexity of the new TRID rule but still ensures that the terms of these mortgage loans are disclosed.

Mortgage lenders that make five or fewer loans a year are already exempt from TRID and are allowed to use the much simpler forms that were in place prior to Dodd-Frank. The BUILD Act simply extends this same exemption to nonprofits that are eligible for tax-exempt charitable donations and are making zero-interest mortgage loans, regardless of how many mortgage loans they are making per year.

The BUILD Act will allow local Habitat facilities, and other similar nonprofits, to choose whether they use these older but simpler forms or the new, more complicated TRID forms.

In closing, I want to reiterate that the purpose of this bill is to help charitable organizations spend more time fulfilling their mission, which is providing low-cost housing to needy families, and less time sitting in an office doing regulatory paperwork.

The bill recognizes that one size does not fit all, especially when it comes to regulating these charities, and it gives them the flexibility to choose which mortgage disclosure forms work best for them and for those they help.

As my colleague Mr. SHERMAN has already brought up, this bill passed the Financial Services Committee and the House unanimously last Congress. I hope that we can repeat that again today here in a few moments.

I urge all of my colleagues to join me in support of this important bill.

Mr. STIVERS. Mr. Speaker, I yield myself such time as I may consume.

I would close by saying that the gentleman from Georgia and the gentleman from California have worked very hard on a bill that passed our committee unanimously and that helps nonprofits accomplish their mission of building capacity in housing, and I urge adoption.

Mr. Speaker, I yield back the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I want to reiterate my thanks to the members of our committee, Representatives LOUDERMILK

and SHERMAN, for working together to craft a narrow piece of legislation that will help nonprofit organizations like Habitat for Humanity have flexibility on which disclosure forms they use when they provide a zero-interest mortgage loan to a family getting a home of their own.

I urge my colleagues to support H.R. 1060, the BUILD Act, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 1060, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

BANKING TRANSPARENCY FOR SANCTIONED PERSONS ACT OF 2019

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1037) to increase transparency with respect to financial services benefiting state sponsors of terrorism, human rights abusers, and corrupt officials, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1037

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Banking Transparency for Sanctioned Persons Act of 2019”.

SEC. 2. REPORT ON FINANCIAL SERVICES BENEFITTING STATE SPONSORS OF TERRORISM, HUMAN RIGHTS ABUSERS, AND CORRUPT OFFICIALS.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, and every 180 days thereafter, the Secretary of the Treasury shall issue a report to the Committees on Financial Services and Foreign Affairs of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs and Foreign Relations of the Senate that includes—

(1) a copy of any license issued by the Secretary in the preceding 180 days that authorizes a financial institution to provide financial services benefitting a state sponsor of terrorism; and

(2) a list of any foreign financial institutions that, in the preceding 180 days, knowingly conducted a significant transaction or transactions, directly or indirectly, for a sanctioned person included on the Department of the Treasury’s Specially Designated Nationals and Blocked Persons List who—

(A) is owned or controlled by, or acts on behalf of, the government of a state sponsor of terrorism; or

(B) is designated pursuant to any of the following:

(i) Section 404 of the Russia and Moldova Jackson-Vanik Repeal and Sergei Magnitsky Rule of Law Accountability Act of 2012 (Public Law 112–208).

(ii) Subtitle F of title XII of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114–328, the Global Magnitsky Human Rights Accountability Act).

(iii) Executive Order 13818.

(b) FORM OF REPORT.—The report required under subsection (a) shall be submitted in unclassified form but may contain a classified annex.

SEC. 3. WAIVER.

The Secretary of the Treasury may waive the requirements of section 2 with respect to a foreign financial institution described in paragraph (2) of such section—

(1) upon receiving credible assurances that the foreign financial institution has ceased, or will imminently cease, to knowingly conduct any significant transaction or transactions, directly or indirectly, for a person described in subparagraph (A) or (B) of such paragraph (2); or

(2) upon certifying to the Committees on Financial Services and Foreign Affairs of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs and Foreign Relations of the Senate that the waiver is important to the national interest of the United States, with an explanation of the reasons therefor.

SEC. 4. DEFINITIONS.

For purposes of this Act:

(1) FINANCIAL INSTITUTION.—The term “financial institution” means a United States financial institution or a foreign financial institution.

(2) FOREIGN FINANCIAL INSTITUTION.—The term “foreign financial institution” has the meaning given that term under section 561.308 of title 31, Code of Federal Regulations.

(3) KNOWINGLY.—The term “knowingly” with respect to conduct, a circumstance, or a result, means that a person has actual knowledge, or should have known, of the conduct, the circumstance, or the result.

(4) UNITED STATES FINANCIAL INSTITUTION.—The term “United States financial institution” has the meaning given the term “U.S. financial institution” under section 561.309 of title 31, Code of Federal Regulations.

SEC. 5. SUNSET.

The reporting requirement under this Act shall terminate on the date that is the end of the 7-year period beginning on the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentleman from Ohio (Mr. STIVERS) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATERS. Mr. Speaker, I ask unanimous consent that all Member may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1037, the Banking Transparency for Sanctioned Persons Act.

This legislation requires the Secretary of the Treasury to report to Congress every 6 months a list of the licenses that it issues to financial institutions to provide services to countries and persons subject to certain U.S. sanctions. It also provides Congress with information about foreign financial firms that similarly provide