

fishing enterprises, tourism, and maritime commerce. In fact, approximately one-third of the U.S. gross domestic product has its origins in coastal areas. That is why the bill we are considering today is so important. It would reauthorize the Tsunami Warning and Education Act of 2006, and allow the National Oceanic and Atmospheric Administration to continue to protect Americans and our coastal economies from the threat of tsunami.

This legislation is a perfect example of a familiar saying: an ounce of prevention is worth a pound of cure. Our tsunami warning program has been effective over the last eight years, but we must remain vigilant in our preparedness and continue to invest in the research and development, and education and outreach, necessary to improve the resiliency of our coastal communities to these destructive waves. We were reminded in 2004 in Sumatra, and again in 2011 in Japan, of the devastation that can be caused by a tsunami. Since the United States has not been struck by a major tsunami since 1964, I think it is useful to put the potential threat into perspective. I know I do not have to remind anyone of the amount of damage caused by Hurricanes Katrina and Sandy. A single tsunami event in the United States could dwarf the devastation caused by either of those disasters.

Billions and billions of dollars in economic damages and countless lives are at risk if we do not maintain, and improve, our tsunami detection and forecasting capabilities. H.R. 5309 advances NOAA's research efforts to do just that and may ultimately add minutes of critical response time to tsunami warnings. The bill also recognizes that the results of NOAA's research must be translated into outreach and education activities at the state and local level. The effective and timely communication of threats is critical in mitigating the impacts of a natural disaster. Increased warning times are only effective if people know how to respond. I am pleased that this legislation emphasizes and supports local community preparedness.

Resiliency to natural disasters is an important part of strengthening the nation's economic security. I want to ensure that our coastal communities have the resources and tools they need to minimize the loss of life and property caused by a tsunami. Reauthorizing NOAA's tsunami activities by passing H.R. 5309 is a key step in helping to do just that. I strongly urge my colleagues to support this bipartisan bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 5309.

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

A motion to reconsider was laid on the table.

□ 1600

#### STOPPING TAX OFFENDERS AND PROSECUTING IDENTITY THEFT ACT OF 2014

Mr. GOODLATTE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 744) to provide effective

criminal prosecutions for certain identity thefts, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 744

*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 "Stopping Tax Offenders and Prosecuting Identity Theft Act of 2014" or the "STOP Identity Theft Act of 2014".*

#### SEC. 2. USE OF DEPARTMENT OF JUSTICE RESOURCES WITH REGARD TO TAX RETURN IDENTITY THEFT.

(a) *IN GENERAL.*—The Attorney General should make use of all existing resources of the Department of Justice, including any appropriate task forces, to bring more perpetrators of tax return identity theft to justice.

(b) *CONSIDERATIONS TO BE TAKEN INTO ACCOUNT.*—In carrying out this section, the Attorney General should take into account the following:

(1) *The need to concentrate efforts in those areas of the country where the crime is most frequently reported.*

(2) *The need to coordinate with State and local authorities for the most efficient use of their laws and resources to prosecute and prevent the crime.*

(3) *The need to protect vulnerable groups, such as veterans, seniors, and minors (especially foster children) from becoming victims or otherwise used in the offense.*

#### SEC. 3. VICTIMS OF IDENTITY THEFT MAY INCLUDE ORGANIZATIONS.

*Chapter 47 of title 18, United States Code, is amended—*

(1) *in section 1028—*

(A) *in subsection (a)(7), by inserting "(including an organization)" after "another person"; and*

(B) *in subsection (d)(7), in the matter preceding subparagraph (A), by inserting "or other person" after "specific individual"; and*

(2) *in section 1028A(a)(1), by inserting "(including an organization)" after "another person".*

#### SEC. 4. IDENTITY THEFT FOR PURPOSES OF TAX FRAUD.

*Section 1028(b)(3) of title 18, United States Code, is amended—*

(1) *in subparagraph (B), by striking "or" at the end;*

(2) *in subparagraph (C), by inserting "or" after the semicolon; and*

(3) *by adding at the end the following:*

*"(D) during and in relation to a felony under section 7206 or 7207 of the Internal Revenue Code of 1986;".*

#### SEC. 5. REPORTING REQUIREMENT.

*Not later than 180 days after the date of the enactment of this Act, the Attorney General shall submit to the Committees on the Judiciary of the House of Representatives and the Senate a report that contains the following information:*

(1) *Information readily available to the Department of Justice about trends in the incidence of tax return identity theft.*

(2) *Recommendations on additional statutory tools that would aid in the effective prosecution of tax return identity theft.*

(3) *The status on implementing the recommendations of the Department's March 2010 Audit Report 10-21 entitled "The Department of Justice's Efforts to Combat Identity Theft".*

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. GOODLATTE) and the gentleman from Georgia (Mr. JOHNSON) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia.

GENERAL LEAVE

Mr. GOODLATTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on H.R. 744, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

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

Identity theft is a crime that leaves its victims feeling exposed and vulnerable while simultaneously inflicting serious financial damage upon them and the financial institutions and government agencies they do business with.

Unfortunately, identity theft is an expanding problem that has recently shifted its target to include the tax refund dollars owed to many hard-working Americans.

The Federal Trade Commission routinely issues statistics listing identity theft as the number one consumer complaint, with American adults having a roughly 1 in 5 chance of being victimized. Fraud related to government benefits and documents regularly comprises the large majority of identity theft reports.

The IRS has recognized the problem and begun shifting assets in response to this expanding threat. In a typical example from earlier this year in Norfolk, Virginia, two hospital workers were sentenced following their convictions for tax-related aggravated identity theft. Their scheme included stealing the personal information of hospital patients and using that information to apply for Federal tax refunds. All told, nearly 80 fraudulent returns were filed, seeking more than \$400,000 in illegitimate refunds.

For the victims of this type of fraud, the original notice is often a rejection by the IRS of their legitimate tax returns. Not surprisingly, this initial rejection is often only the beginning of a long and continuing road to financial recovery. In addition to the delays inherent in resolving their tax return dispute and receiving their refund, the months following the discovery of the identity theft are typically spent trying to restore their credit through an endless stream of paperwork, including police reports, affidavits to credit bureaus, and complaints to various consumer protection agencies.

Unfortunately, in Virginia and nationwide, this is a problem that is only growing in magnitude, partly due to the expanding methods used by criminals to gain access to personal information. From highly sophisticated cyber criminal organizations engaged in activities designed to gain access to personal data on a grand scale to individual cases involving a lost wallet or purse, the ways in which someone with

criminal intent can obtain our personal information are too numerous to list.

The legislation before us today, the STOP Identity Theft Act of 2014, is designed to strengthen the penalties associated with tax-related identity theft. Additionally, H.R. 744 expands who can be a victim of tax-related identity theft to include businesses and organizations, directs the Justice Department to allocate additional resources towards enforcement in this area, and encourages cooperation with State and local authorities through the establishment of task forces and otherwise.

I commend the sponsors, Ms. WASSERMAN SCHULTZ and Chairman SMITH, for their dedication to this important issue, and I urge my colleagues to join me to support this legislation.

I reserve the balance of my time.

Mr. JOHNSON of Georgia. Mr. Speaker, I yield myself such time as I may consume.

H.R. 744, the Stopping Tax Offenders and Prosecuting Identity Theft Act, has laudable goals of addressing the growing problem of tax return identity theft. Unfortunately, in seeking to address one problem, the bill creates another one.

Last Congress, the Crime Subcommittee held a hearing at which we learned how individuals are victimized by those who file false returns using the names and Social Security numbers of the victims.

When someone has had a false return filed in their name, they often have to engage in an arduous process of setting the record straight with the IRS and obtaining a refund they may be due.

In other instances, perpetrators sometimes benefit by falsely claiming that a deceased child of another is a dependent on their own forms. Parents of the deceased children are then subjected to the additional grief and burden of clearing things up with the IRS.

As a longstanding advocate of personal privacy and personal privacy rights, I am particularly concerned about these schemes which violate the privacy of individuals in addition to imposing financial burdens.

Clearly, we need to do more to combat this type of crime. Accordingly, I support the approach in section 2 of the bill, which encourages the Department of Justice, using task forces, to bring its resources to bear on the problem of tax return identity theft. Increased effort in investigating and prosecuting these crimes is certainly necessary, and Congress should work to provide additional resources to support our agents and prosecutors.

Unfortunately, another provision in the bill raises serious concerns by expanding mandatory minimum sentencing. The bill amends both the basic identity theft statute and the aggravated identity theft statute so that organizations, and not just individuals, may be covered as victims.

Expanding the scope of victims under the aggravated identity theft statute,

thus, also expands the scope of mandatory penalties under the statute, section 1028A of title 18. The penalty for aggravated identity theft is a mandatory term of imprisonment of 2 years or, for an offense related to terrorism, 5 years. While I oppose this expansion of the mandatory minimum sentences, I do not oppose the imposition of appropriate sentences for this offense as warranted under the circumstances of each case.

With respect to the proposed expansion of the coverage of the aggravated identity theft statute to organizations, Congressman BOBBY SCOTT, ranking member of the Crime Subcommittee, offered an amendment at markup to narrowly prevent application of mandatory sentences to the expansion, but instead allow for even higher sentences for those offenses, but at the judges' discretion. As a result, judges would have the flexibility to impose even greater sentences, when warranted, but they would not be required to impose mandatory minimums. Unfortunately, the amendment was not adopted, leaving H.R. 744 with a serious flaw that violates sound sentencing policy.

Mandatory minimums have been studied extensively and have been found to distort rational sentencing systems to discriminate against minorities, to waste the taxpayers' money, and to often violate common sense. Even if everyone involved in a case—from arresting officer, prosecutor, judge, and victim—believes that the mandatory minimum would be an unjust sentence for a particular defendant in a case, it still must be imposed.

Mandatory minimum sentences, sometimes based merely on the name of the crime, unwisely remove sentencing discretion from the judge. Regardless of the role of the offender in the particular crime, the offender's record or lack thereof, or the facts and circumstances of the case, the judge has no choice but to impose the mandatory minimum set by legislators long before the crime has been committed. Such a policy is unjust and unwarranted. The expansion of mandatory minimum sentencing in this bill is, therefore, problematic.

For these reasons, I cannot support this well-intentioned but flawed bill.

I reserve the balance of my time.

Mr. GOODLATTE. Mr. Speaker, at this time, it is my pleasure to yield such time as he may consume to the gentleman from Texas (Mr. SMITH), the chairman of the Science, Space, and Technology Committee and the lead Republican cosponsor of this legislation.

Mr. SMITH of Texas. Mr. Speaker, I thank the gentleman from Virginia, the chairman of the Judiciary Committee, for yielding me time, and I also want to thank him for bringing this bill to the House floor today.

H.R. 744, the STOP Identity Theft Act, is a bicameral, bipartisan solution that curbs the rapidly increasing prob-

lem of tax return identity theft. I am the original cosponsor of this bill, with Congresswoman DEBBIE WASSERMAN SCHULTZ, who has long taken the initiative on this pressing subject.

The STOP Identity Theft Act increases criminal penalties for tax return ID theft. The bill also broadens the definition of identity theft victims to include businesses and nonprofit organizations.

In recent years, tax thieves have received billions of dollars in fraudulent tax returns. These criminals have become proficient in stealing identity information and Social Security numbers to file false tax returns with the IRS, oftentimes before the legitimate taxpayer files a return themselves. It is only after a tax return is rejected that the victim learns that their identity has been stolen and their tax return wrongfully pocketed.

H.R. 744 is crucial to deter the number of individuals and families who are victimized by ID tax thieves. Identity theft costs victims both money and time to restore their identities.

The House previously adopted this bill by voice vote in the last Congress. This past February, the Senate Judiciary Committee passed a companion bill to the STOP Identity Theft Act by Senators KLOBUCHAR and SESSIONS. So I urge my colleagues again to join me in support of H.R. 744 to protect American taxpayers.

I thank the Judiciary Committee chairman again, Mr. GOODLATTE, for bringing this legislation to the House floor and the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ) for her efforts to stop tax identity theft.

Mr. JOHNSON of Georgia. Mr. Speaker, I yield as much time as she may consume to the gentlewoman from Florida, the Honorable DEBBIE WASSERMAN SCHULTZ.

Ms. WASSERMAN SCHULTZ. I thank the gentleman for yielding.

Mr. Speaker, I rise today to urge my colleagues to support H.R. 744, the Stopping Tax Offenders and Prosecuting Identity Theft Act of 2014 or, simply, the STOP Identity Theft Act.

Over the past several years, we have all witnessed the crime of tax return theft explode into a nationwide epidemic. It is time for Congress to act and let would-be thieves know that there will be serious consequences if they engage in this crime.

Thank you to Congressman LAMAR SMITH for leading this effort with me over the past 3 years. I hope that we can finally get this legislation over the finish line so law enforcement has more tools in the fight against crime. Working with our Senate sponsors, Senator AMY KLOBUCHAR and Senator JEFF SESSIONS, I know that we can get this done.

Thank you to Chairman GOODLATTE and to his intrepid staffer Caroline Lynch for your support and your leadership to help bring this bill to the floor today.

We have all heard stories of tax refund thefts. An unsuspecting taxpayer

goes to file their tax return only to be told by the Internal Revenue Service that someone else has already filed their return and claimed their hard-earned tax refund.

□ 1615

Tax return identity theft wreaks emotional and financial havoc on hardworking taxpayers and costs the Federal Government billions of dollars.

According to a recent Treasury Department report, the number of stolen tax return refunds skyrocketed in just the last year—going from approximately 1.1 million stolen returns in 2011 to more than 1.8 million in 2012—a 69 percent increase. And the cost to the U.S. Treasury and the American taxpayers is staggering—nearly \$9 billion in just the last 2 years and \$21 billion in the last 5 years, Mr. Speaker.

We cannot allow billions of taxpayer dollars to be stolen from hardworking Americans and from our Treasury. This will only get worse unless we act.

We also must protect the thousands of taxpayers that fall victim to this crime, many of whom are vulnerable groups like seniors, veterans, and minors. Seniors in my south Florida community have been particularly hard-hit by this crime, and I simply couldn't stand by and let it continue.

Even though victims of tax return theft eventually are reimbursed by the U.S. Treasury, it can take many months and a lot of frustration to set things straight. Many of these victims rely on a timely tax return just to pay the bills.

These tax return identity thieves hide behind a veil of technology by stealing Social Security numbers and filing false electronic returns where the payoffs are almost instantaneous. Right now, more thieves and criminal organizations are turning to this lucrative crime because law enforcement lacks the kind of stiff criminal penalties afforded many other forms of identity theft. In this instance, technology has simply outstripped the enforcement tools currently on the books. The STOP Identity Theft Act brings together several measures to strengthen criminal penalties and increase the prosecution rate of tax return identity thieves.

First, this bill amends the identity theft statute to increase the maximum penalties for the crime of tax return identity theft. Right now, this crime is seen as low risk and high reward for would-be thieves. Toughening sentencing for tax return identity thieves will help deter this kind of crime.

The legislation also expands the definition of "identity theft victim" to include businesses and charitable organizations. Often, these organizations have their identities stolen and they are used in "phishing" schemes to extract the sensitive information from unsuspecting taxpayers used in tax return thefts. These thieves then use the harvested information to file thousands of fraudulent tax returns.

This amendment to the identity theft statutes will ensure that thieves who misappropriate the identities of any business, be it a small business or a nonprofit organization, can be prosecuted. The STOP Identity Theft Act also calls for better coordination between the Department of Justice and State and local law enforcement to make the most efficient use of the law and resources.

My own local law enforcement agencies in south Florida have been inundated with crime reports of tax return identity theft, and they need all the help we can provide.

This legislation is not the end-all, be-all to the congressional efforts to combat tax return identity theft, but it is a strong, bipartisan beginning. It is intended to provide targeted tools to law enforcement right away so that they are better prepared before next tax season rolls around.

Finally, the legislation also calls for DOJ to report back on trends in tax return identity theft, on progress in prosecuting these crimes, and recommendations for additional legal tools to combat it.

Information and data on trends about tax return identity theft can be valuable tools to detect and prevent future fraud, and it will inform Congress of additional legislative actions that will help in the effort.

I also send a big thank you to the various organizations that have supported and helped craft this legislation, including the National Conference of CPA Practitioners, the Committee for Efficient Government, the American Coalition for Taxpayer Rights, the Council for Citizens Against Government Waste, and the National Association of Counties.

Together, we all must ensure that Federal laws keep pace with emerging crimes such as tax return identity theft. It is time to make the prosecution of this crime a greater priority. The STOP Identity Theft Act is an important step towards this goal, and I urge my colleagues to support this legislation.

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

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. GOODLATTE) that the House suspend the rules and pass the bill, H.R. 744, 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.

#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 4 o'clock and 19 minutes p.m.), the House stood in recess.

□ 1730

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. COLLINS of New York) at 5 o'clock and 30 minutes p.m.

#### MIGRATORY BIRD TREATY ACT AMENDMENTS

Mr. YOUNG of Alaska. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3109) to amend the Migratory Bird Treaty Act to exempt certain Alaskan Native articles from prohibitions against sale of items containing nonedible migratory bird parts, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3109

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

#### SECTION 1. EXEMPTION FROM PROHIBITIONS FOR ALASKAN NATIVE ARTICLES CONTAINING MIGRATORY BIRD PARTS.

Section 2 of the Migratory Bird Treaty Act (16 U.S.C. 703) is amended by adding at the end the following:

“(c) EXEMPTION FOR AUTHENTIC ALASKAN NATIVE ARTICLES OF HANDICRAFT OR CLOTHING.—

“(1) IN GENERAL.—Notwithstanding any other provisions of this Act, nothing in this Act prohibits possession, offering for sale, sale, offering to barter, barter, offering to purchase, purchase, delivery for shipment, shipment, causing to be shipped, delivered for transportation, transport or causing to be transported, carrying or causing to be carried, or receiving for shipment, transportation, or carriage, any authentic Alaskan Native article of handicraft or clothing on the basis that it contains a nonedible migratory bird part.

“(2) LIMITATION.—This subsection shall not apply with respect to any handicraft or clothing containing any part of a migratory bird that was taken in a wasteful manner.

“(3) DEFINITIONS.—In this subsection:

“(A) ALASKAN NATIVE.—The term ‘Alaskan Native’ means any Indian, Aleut, or Eskimo who resides in Alaska.

“(B) AUTHENTIC ALASKAN NATIVE ARTICLE OF HANDICRAFT OR CLOTHING.—The term ‘authentic Alaskan Native article of handicraft or clothing’—

“(i) means any item that is—

“(I) composed wholly or in some significant respect of natural materials; and

“(II) produced, decorated, or fashioned by an Alaskan Native, in the exercise of traditional Alaskan Native handicrafts, without the use of any pantograph or other mass copying device; and

“(ii) includes any weaving, carving, stitching, sewing, lacing, beading, drawing, or painting described in clause (i), or any combination thereof.”

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Alaska (Mr. YOUNG) and the gentleman from California (Mr. LOWENTHAL) each will control 20 minutes.

The Chair recognizes the gentleman from Alaska.