

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, this is a very straightforward piece of legislation.

It clarifies that the Vice Chairman for Supervision is required to provide testimony along with his appearance before the committee.

Additionally, if the position is vacant, the bill makes clear that the Chair of the Board shall appear and provide testimony on supervision and regulation efforts.

I think it makes good sense to codify who at the Board will testify before Congress on the status of the Fed's supervisory efforts regardless of whether there is a person confirmed for the Vice Chairman for Supervision or not.

When Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act, it created the position of Vice Chairman for Supervision so that there was one Fed Board Governor who was responsible for ensuring robust rules for the Nation's largest financial institutions.

We now have a Vice Chairman for Supervision at the Fed, but the position had previously been vacant since its creation in 2010, so it is helpful to clarify how Congress will continue to be informed about developments at the Fed.

This bill already passed the House last year on a voice vote.

I thank the gentleman from New Jersey (Mr. GOTTHEIMER) and the gentleman from Oklahoma (Mr. LUCAS) for introducing this legislation.

I urge all Members to vote "yes" on H.R. 974.

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

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

Mr. Speaker, I rise in support of H.R. 974, the Federal Reserve Supervision Testimony Clarification Act, an important bipartisan bill that will provide Congress greater oversight of regulation and supervision at the Federal Reserve.

The Vice Chairman for Supervision of the Federal Reserve exercises and oversees the Board's supervisory and regulatory authority over a variety of financial institutions and activities. This role is imperative to promote a safe, sound, and stable financial system that supports the growth and stability of the U.S. economy.

This bill before us today will ensure that the Federal Reserve will come forth and testify before Congress on issues relating to the supervision of financial institutions, giving added transparency to the American people, as well as increasing the Fed's accountability.

The issues overseen by this position are of high importance to the American people and our financial system. It is crucial that we have the ability to hear testimony and ask questions of the Federal Reserve on these complicated issues.

I would like to thank Congressman GOTTHEIMER for sponsoring and Congressman LUCAS for cosponsoring this much-needed legislation.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma (Mr. LUCAS).

Mr. LUCAS. Mr. Speaker, I am here today to tell my colleagues about H.R. 974 and urge they pass it.

This is a bill about congressional oversight, pure and simple. As this body knows, Dodd-Frank gave the Federal Reserve greater regulatory authority and established the Vice Chairman for Supervision position to oversee those efforts; but the first confirmed appointee to that position took office in 2017, a full 7 years after Dodd-Frank.

During that time, Congress received minimal testimony on regulatory issues from the Fed. Typically, other officials who didn't oversee the regulatory efforts gave testimony in this regard. But the key point is, Dodd-Frank requires only the Vice Chairman for Supervision to give that testimony.

While we are grateful that other Federal officials decided to speak to Congress on regulatory issues, they didn't have to, under the law.

I introduced this bill last Congress as a way to prevent that situation from arising ever again. Under the bill, if there is no Vice Chairman for Supervision, either the Fed Chair or their designee will be required to give annual testimony on regulatory matters. It is that simple. As a result, this bill passed unanimously out of the Financial Services Committee last Congress.

As I said, this bill is about the oversight authority of Congress and the other constituents we represent.

It remains vitally important that we and our Senate friends hear from knowledgeable regulatory officials at these agencies, particularly when these regulations have a large effect on the capital money markets; otherwise, our constituents will become even more distrustful of government.

Transparency is key. In fact, it is one of the largest responsibilities of the Members of Congress. This promotes that responsibility and, thus, deserves to be passed.

Mr. Speaker, I appreciate Mr. GOTTHEIMER's willingness to bring this bill to the floor. I thank the chairwoman and the ranking member for supporting this bill. I hope my colleagues will follow this example and vote in favor.

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

Ms. WATERS. Mr. Speaker, I am pleased with the bipartisan cooperation shown by this legislation and fully sup-

port the efforts of the sponsors to increase accountability and transparency.

I want to thank the gentleman from Missouri (Mr. LUETKEMEYER) for his engagement on the bill and, again, urge my colleagues to join me in supporting this important legislation, H.R. 974.

Mr. Speaker, 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. 974, 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.

#### FINCEN IMPROVEMENT ACT OF 2019

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1414) to amend the duties of the Financial Crimes Enforcement Network (FinCEN) to ensure FinCEN works with Tribal law enforcement agencies, protects against all forms of terrorism, and focuses on virtual currencies.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1414

*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 "FinCEN Improvement Act of 2019".

#### SEC. 2. FINDINGS.

The Congress finds the following:

(1) The mission of the Financial Crimes Enforcement Network (FinCEN) is to safeguard the financial system from illicit use and combat money laundering and promote national security through the collection, analysis, and dissemination of financial intelligence and strategic use of financial authorities.

(2) In its mission to safeguard the financial system from the abuses of financial crime, including terrorist financing, money laundering and other illicit activity, the United States should prioritize working with partners in Federal, State, local, Tribal, and foreign law enforcement authorities.

(3) The Federal Bureau of Investigation has stated that since the terror attacks on September 11, 2001, "The threat landscape has expanded considerably, though it is important to note that the more traditional threat posed by al Qaeda and its affiliates is still present and active. The threat of domestic terrorism also remains persistent overall, with actors crossing the line from First Amendment protected rights to committing crimes to further their political agenda."

(4) Although the use and trading of virtual currencies are legal practices, some terrorists and criminals, including international criminal organizations, seek to exploit vulnerabilities in the global financial system and are increasingly using emerging payment methods such as virtual currencies to move illicit funds.

(5) In carrying out its mission, FinCEN should prioritize all forms of terrorism and

emerging methods of terrorism and illicit finance.

**SEC. 3. STRENGTHENING FINCEN.**

Section 310 of title 31, United States Code, is amended—

(1) in paragraph (C)—

(A) in clause (i), by striking “appropriate Federal, State, local, and foreign law enforcement agencies” and inserting “appropriate Federal, State, local, Tribal, and foreign law enforcement agencies”; and

(B) in clause (vi), by striking “to protect against international terrorism” and inserting “to protect against terrorism”;

(2) in paragraph (E), by striking “appropriate Federal, State, local, and foreign law enforcement authorities” and inserting “appropriate Federal, State, local, Tribal, and foreign law enforcement authorities”;

(3) in paragraph (F), by striking “Federal, State, local, and foreign law enforcement” and inserting “Federal, State, local, Tribal, and foreign law enforcement”; and

(4) in paragraph (H), by striking “anti-terrorism and anti-money laundering initiatives, and similar efforts” and inserting “anti-terrorism and anti-money laundering initiatives, including matters involving emerging technologies or value that substitutes for currency, and similar efforts”.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentleman from Missouri (Mr. LUETKEMEYER) 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 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, the FinCEN Improvement Act is a bill that will strengthen the Financial Crimes Enforcement Network, FinCEN, our national security, and our financial system. A form of this bipartisan bill was introduced last year with the exact same language, and it unanimously passed the House on suspension by voice vote.

Currently, FinCEN works with Federal, State, local, and foreign law enforcement authorities in its anti-money laundering/counter terror financing objectives. Although Tribal law enforcement is a strong partner in fighting crime and safeguarding our country's national security, they are not yet listed in the FinCEN statute alongside their law enforcement partners.

Though FinCEN voluntarily works with Tribal law enforcement in these objectives, this legislation will make FinCEN's assistance to Tribal law enforcement mandatory. This bill will also amend FinCEN's statute to protect against all forms of terrorism. As written, the underlying statute only requires the protection against international terrorism.

While the United States faces a serious threat from foreign terrorist orga-

nizations, the threat from both home-grown violent extremists and domestic terrorists has sharply increased within the past several years. Although this type of terrorism has been less discussed in the news cycle, these terrorists are equally as dangerous as international terrorist organizations, if not more.

In fact, a survey of 382 law enforcement agencies, conducted with the Police Executive Research Forum with funding from the National Institute of Justice, found that 74 percent of the law enforcement agencies reported antigovernment extremism, such as sovereign citizen extremism, as one of the top terrorist threats in their jurisdictions. This part of the bill will ensure that a proper focus be paid to all forms of terrorism.

Additionally, this bill will require FinCEN to work with foreign financial intelligence units on anti-money laundering and counter terror financing initiatives with respect to emerging technologies such as cryptocurrencies, which are increasingly used by terrorists and transnational criminals.

As the threat environment has changed with the birth and prominence of cryptocurrencies, online marketplaces, and the dark web, FinCEN needs to coordinate with and support our international partners that share our common anti-money laundering/counter terror financing goals.

For these reasons, I am proud to support this legislation, and I congratulate Congresswoman WEXTON and Congressman RIGGLEMAN for introducing this bill.

Mr. Speaker, I urge all Members to vote “yes” on this important legislation, and I reserve the balance of my time.

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

Mr. Speaker, I rise in strong support of H.R. 1414, the FinCEN Improvement Act.

This bipartisan piece of legislation passed the House by a voice vote last Congress. I am happy to see that my colleague, Congressman RIGGLEMAN of Virginia, has joined Congresswoman WEXTON in reintroducing it this Congress.

This is the first piece of cosponsored legislation Congressman RIGGLEMAN had on the floor, and the fact that it focuses on terrorism speaks directly to his past service in the Air Force and his continued effort to protect the American people from bad actors. Mr. Speaker, I thank him and Congresswoman WEXTON for leading this fight to protect the American people.

H.R. 1414 outlines how the terror landscape in our post-9/11 world has expanded.

Now, we are tasked with protecting the American people not only from traditional threats posed by groups like al-Qaeda abroad, but also domestic terrorism, where crimes are committed on U.S. soil by both foreign and U.S. persons.

H.R. 1414 mandates that FinCEN focus on all forms of terror, not just foreign terror campaigns. This is a commonsense update to the statute that would bring added clarity to our antiterrorism laws.

H.R. 1414 also strengthens FinCEN by ensuring cooperation with Tribal law enforcement agencies and the prioritization of virtual currencies.

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Illicit actors have been found to be using virtual currencies because of their ability to provide anonymity. Some virtual currencies have been shown to frustrate law enforcement's efforts to link transactions to people or IP addresses.

It is for this exact reason that FinCEN needs to be able to allocate resources and manpower to investigate and thwart instances of terrorism that involve all forms of virtual currencies.

Mr. Speaker, it is our sworn duty to protect the American people, and H.R. 1414 allows FinCEN to adapt its investigative abilities to prevent terrorism in our digital age.

Again, I thank Ms. WEXTON and Mr. RIGGLEMAN for their leadership, and I urge my colleagues to support this bipartisan legislation.

I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield 3 minutes to the gentlewoman from Virginia (Ms. WEXTON).

Ms. WEXTON. Mr. Speaker, I thank the chairwoman for yielding me the time.

Mr. Speaker, I rise in support of H.R. 1414, the FinCEN Improvement Act, bipartisan legislation I introduced with my Financial Services Committee colleague and fellow Virginian, Congressman DENVER RIGGLEMAN.

This is a practical bill that will help modernize the duties of the Financial Crimes Enforcement Network, otherwise known as FinCEN. The mission of FinCEN is to safeguard the financial system from crimes or illicit use, such as terrorist financing; combat money laundering; and promote national security through the collection, analysis, and dissemination of financial information and intelligence.

H.R. 1414 would do three things to further their important mission.

First is in the area of investigation into terror financing. FinCEN is currently authorized to combat international terror threats but fails to mention domestic terror activities. While international terror threats remain present and relevant, the threat landscape has expanded considerably and also includes domestic terror groups that commit crimes to further their agendas.

H.R. 1414 will amend the FinCEN authorizing legislation to clarify its role in investigating and combating terror threats, be they foreign or domestic. FinCEN is already doing important work to combat domestic terrorism, but the bill will clarify its role and correct this oversight in the statute.

Second, the virtual currency landscape is rapidly evolving and many of these technologies did not exist when previous laws and regulations were written. H.R. 1414 will help FinCEN combat emerging methods of financing illicit activity, including the use of cryptocurrency.

Finally, the FinCEN Improvement Act builds on existing relationships with law enforcement partners by ensuring that FinCEN has the authority to work not only with Federal, State, and local law enforcement, but also with Tribal law enforcement across the country.

I am proud to cosponsor this bill, Mr. Speaker, and I urge our colleagues to support it.

Mr. LUETKEMEYER. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. RIGGLEMAN), one of our outstanding freshmen from the freshman class of this past fall.

Mr. RIGGLEMAN. Mr. Speaker, today, I am proud to rise in support as the lead Republican sponsor of H.R. 1414, the FinCEN Improvement Act of 2019.

I thank my colleague and fellow Member from the Commonwealth of Virginia, Representative JENNIFER WEXTON, for her work on this legislation. This bill is a tangible example of what Congress can accomplish when we put aside our differences and work together.

FinCEN, or the Financial Crimes Enforcement Network, is a critical component of law enforcement, as the agency is charged with promoting national security by safeguarding our financial system.

Terrorists, drug smugglers, human traffickers, and other criminal actors are constantly innovating and creating new ways to exploit the system. Bad actors know the current limitations of law enforcement and how to profit immensely from our weaknesses as they are constantly developing their tactics, techniques, and procedures, or TTPs, based on our security posture.

It is FinCEN's mission to cut the head off the snake and combat illicit financing of these activities. This bill will strengthen FinCEN in three key areas.

First, it strengthens FinCEN by codifying the domestic responsibilities of combating illicit finance. We know all too well the danger international terrorists pose, but it is equally important that we police criminal financial activity domestically as well. By reinforcing FinCEN's domestic mandate, we are sending a message to all Americans that we will not tolerate criminal activity either at home or abroad.

Second, this bill adds Tribal law enforcement to the list of FinCEN partners. By ensuring robust and comprehensive law enforcement partners, we are equipping the agencies charged with safeguarding our financial system with the necessary tools and information to execute their mission. Partnering with Tribal law enforce-

ment closes a potential loophole that terrorists can use to inject illicit money into the system.

Finally, and perhaps most importantly, this bill clearly incorporates cryptocurrencies and other emerging technologies that substitute for currency.

As financial technology, or fintech, evolves, so do the opportunities for criminals to take advantage of the financial system. We must ensure that our law enforcement agencies have a clear directive from Congress to take on all challenges and risks facing our financial system.

Mr. Speaker, today, I ask all my colleagues in the people's House to join me and Ms. WEXTON by voting in favor of this legislation.

Ms. WATERS. Mr. Speaker, I have no further speakers, and I am prepared to close. I reserve the balance of my time.

Mr. LUETKEMEYER. Mr. Speaker, I reiterate my support for H.R. 1414, the FinCEN Improvement Act, and I yield back the balance of my time.

Ms. WATERS. Mr. Speaker, I am pleased that Ms. WEXTON and Mr. RIGGLEMAN have brought this issue to the full House. It addresses key gaps in our efforts to fight financial crime, something we all should support.

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. 1414.

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.

#### COOPERATE WITH LAW ENFORCEMENT AGENCIES AND WATCH ACT OF 2019

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 758) to provide a safe harbor for financial institutions that maintain a customer account or customer transaction at the request of a Federal or State law enforcement agency, as amended.

The Clerk read the title of the bill. The text of the bill is as follows:

H.R. 758

*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 "Cooperate with Law Enforcement Agencies and Watch Act of 2019".

##### SEC. 2. SAFE HARBOR WITH RESPECT TO KEEP OPEN LETTERS.

(a) IN GENERAL.—Subchapter II of chapter 53 of title 31, United States Code, is amended by adding at the end the following:

##### “§ 5333. Safe harbor with respect to keep open letters

“(a) IN GENERAL.—With respect to a customer account or customer transaction of a

financial institution, if a Federal, State, Tribal, or local law enforcement agency requests, in writing, the financial institution to keep such account or transaction open—

“(1) the financial institution shall not be liable under this subchapter for maintaining such account or transaction consistent with the parameters of the request; and

“(2) no Federal or State department or agency may take any adverse supervisory action under this subchapter with respect to the financial institution for maintaining such account or transaction consistent with the parameters of the request.

“(b) RULE OF CONSTRUCTION.—Nothing in this section may be construed—

“(1) from preventing a Federal or State department or agency from verifying the validity of a written request described under subsection (a) with the Federal, State, Tribal, or local law enforcement agency making the written request; or

“(2) to relieve a financial institution from complying with any reporting requirements, including the reporting of suspicious transactions under section 5318(g).

“(c) LETTER TERMINATION DATE.—For purposes of this section, any written request described under subsection (a) shall include a termination date after which such request shall no longer apply.”

(b) CLERICAL AMENDMENT.—The table of contents for chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5332 the following:

“5333. Safe harbor with respect to keep open letters.”

##### 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 Arkansas (Mr. HILL) 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 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, H.R. 758 would strengthen cooperation between financial institutions and law enforcement agencies to better detect, deter, and combat terrorism and financial crimes.

With respect to the Bank Secrecy Act anti-money laundering, referred to as BSA/AML, supervisory actions, this bill would carve out a narrow safe harbor for financial institutions to keep a customer's account open at the written request of a law enforcement agency, including those at the Federal, State, local, and Tribal levels.