

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

Mr. SMITH of New Jersey. Mr. Speaker, I rise in support of the Russia Cryptocurrency Transparency Act, H.R. 7338, and I yield myself such time as I may consume.

Mr. Speaker, this bipartisan legislation authored by Chairman MEEKS and Ranking Member MCCAUL would exercise oversight of the State Department's use of cryptocurrency as part of its rewards program, as well as measures to improve the efficacy and enforcement of U.S. sanctions against Russia.

Emerging technologies like blockchain, the foundation for many cryptocurrencies, offer immense opportunities. For example, people around the world sent aid using cryptocurrency to those fleeing Russia's full-scale barbaric invasion of Ukraine.

However, this bill will ensure that the U.S. is taking the necessary steps to prevent these emerging technologies from undermining sanctions, including those currently aimed at bankrupting Putin's war machine.

While the rise of digital assets like cryptocurrencies promise innovative financial opportunity, digital assets could be ripe for abuse as Russia seeks to evade the unprecedented sanctions the United States and Europe have imposed for Vladimir Putin's brutal war of choice on Ukraine.

□ 1530

This legislation will provide greater oversight in the State Department's rewards program, helping ensure that these hard-to-trace funds are not falling into the hands of bad actors. It also will help the State Department develop sanctions enforcement mechanisms to prevent sanctions evasion through the use of cryptocurrencies.

Given the tremendous need for humanitarian support as Europe faces the largest influx of refugees since World War II, this legislation also asks the State Department to assess how crypto can be used to support humanitarian assistance to Ukrainians fleeing the war.

Mr. Speaker, I urge support for the bill, and I yield back the balance of my time.

Mr. MALINOWSKI. In closing, Mr. Speaker, I just want to thank, again, my colleagues, Chairman MEEKS and Ranking Member MCCAUL, for introducing this legislation.

Mr. Speaker, I hope my colleagues will join me in supporting it, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. MALINOWSKI) that the House suspend the rules and pass the bill, H.R. 7338, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. ROSENDALE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

COUNTERING ASSAD'S PROLIFERATION TRAFFICKING AND GARNERING OF NARCOTICS ACT

Mr. MALINOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6265) to require a strategy by the United States Government to disrupt and dismantle the Captagon trade and narcotics networks of Bashar al-Assad in Syria.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6265

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 "Countering Assad's Proliferation Trafficking And Garnering Of Narcotics Act" or the "CAPTAGON Act".

SEC. 2. INTERAGENCY STRATEGY TO DISRUPT AND DISMANTLE NARCOTICS PRODUCTION AND TRAFFICKING AND AFFILIATED NETWORKS LINKED TO THE REGIME OF BASHAR AL-ASSAD IN SYRIA.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Captagon trade linked to the regime of Bashar al-Assad in Syria is a transnational security threat; and

(2) the United States should develop and implement an interagency strategy to deny, degrade, and dismantle Assad-linked narcotics production and trafficking networks.

(b) REPORT AND STRATEGY REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense, the Secretary of State, the Secretary of the Treasury, the Administrator of the Drug Enforcement Administration, the Director of National Intelligence, and the heads of other appropriate Federal agencies shall provide to the appropriate congressional committees a written strategy to disrupt and dismantle narcotics production and trafficking and affiliated networks linked to the regime of Bashar al-Assad in Syria. Such strategy shall include each of the following:

(1) A strategy to target, disrupt, and degrade networks that directly or indirectly support the narcotics infrastructure of the Assad regime, particularly through diplomatic and intelligence support to law enforcement investigations and to build counter-narcotics capacity to partner countries through assistance and training to law enforcement services in countries, other than Syria, that are receiving or transiting large quantities of Captagon.

(2) Information relating to the use of statutory authorities, including the Caesar Syria Civilian Protection Act of 2019 (22 U.S.C. 8791 note), the Foreign Narcotics Kingpin Designation Act (popularly referred to as the "Kingpin Act"), section 489 of the Foreign Assistance Act (relating to the international narcotics control strategy report), and associated actions to target individuals and entities directly or indirectly associated with the narcotics infrastructure of the Assad regime.

(3) Information relating to the use of global diplomatic engagements associated with

the economic pressure campaign against the Assad regime to target its narcotics infrastructure.

(4) A strategy for leveraging multilateral institutions and cooperation with international partners to disrupt the narcotics infrastructure of the Assad regime.

(5) A strategy for mobilizing a public communications campaign to increase awareness of the extent of the connection of the Assad regime to illicit narcotics trade.

(6) A description of the countries receiving or transiting large shipments of Captagon, and an assessment of the counter-narcotics capacity of such countries to interdict or disrupt the smuggling of Captagon, including an assessment of current United States assistance and training programs to build such capacity in such countries.

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

(d) APPROPRIATE CONGRESSIONAL COMMITTEES.—In this section, the term "appropriate congressional committees" means—

(1) the Committee on Armed Services, the Committee on the Judiciary, the Committee on Foreign Affairs, the Committee on Financial Services, the Committee on Appropriations, and the Permanent Select Committee on Intelligence of the House of Representatives; and

(2) the Committee on Armed Services, the Committee on the Judiciary, the Committee on Foreign Relations, the Committee on Banking, Housing, and Urban Affairs, the Committee on Appropriations, and the Select Committee on Intelligence of the Senate.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. MALINOWSKI) and the gentleman from New Jersey (Mr. SMITH) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. MALINOWSKI).

GENERAL LEAVE

Mr. MALINOWSKI. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 6265.

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

There was no objection.

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

Mr. Speaker, I rise today in support of H.R. 6265, the CAPTAGON Act.

I would like to first thank Representatives FRENCH HILL and BRENDAN BOYLE, as well as Members from both sides of the aisle for reintroducing this bipartisan legislation and addressing an important issue which continues to fuel the Assad regime's coffers and campaign of brutality.

Despite condemnation from the United States and the international community, Bashar al-Assad's military has continued its relentless assault on the Syrian people committing reprehensible crimes against humanity upon them.

Even as American and European sanctions restrict this regime's ability to transact and deal internationally, its campaign of brutality continues to seek sources of revenue around the world.

One of these illicit sources of revenue is the smuggling of the narcotic stimulant drug, Captagon, which is trafficked to, in, and around Syria, and has become a cash source for the Assad regime to enrich itself and prolong its atrocities against Syrians.

Though initial steps have been taken by the State Department, our intelligence community, and the Drug Enforcement Agency to work with allies and partners to counter this traffic, more can and must be done.

So the CAPTAGON Act would require the Federal Government to develop an interagency strategy to disrupt and dismantle narcotics trafficking and networks linked to the Assad regime in Syria. It also requires reporting on such efforts and on coordination with our partners.

This is an important step in ensuring we can use every tool we have to stop the spread of Captagon in the region and to choke off illicit revenue for this brutal regime.

Mr. Speaker, I thank the bipartisan group of Members, including you, Mr. Speaker, for presenting this measure.

Mr. Speaker, I encourage my colleagues to support it, and I reserve the balance of my time.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, September 19, 2022.

Hon. GREGORY MEEKS,
Chairman, Committee on Foreign Affairs,
House of Representatives, Washington, DC.

DEAR CHAIRMAN MEEKS: This letter is to advise you that the Committee on the Judiciary has now had an opportunity to review the provisions in H.R. 6265, the "Countering Assad's Proliferation Trafficking And Garnering Of Narcotics Act" or the "CAPTAGON Act," that fall within our Rule X jurisdiction. I appreciate your consulting with us on those provisions. The Judiciary Committee has no objection to your including them in the bill for consideration on the House floor, and to expedite that consideration is willing to forgo action on H.R. 6265, with the understanding that we do not thereby waive any future jurisdictional claim over those provisions or their subject matters.

In the event a House-Senate conference on this or similar legislation is convened, the Judiciary Committee reserves the right to request an appropriate number of conferees to address any concerns with these or similar provisions that may arise in conference.

Please place this letter into the Congressional Record during consideration of the measure on the House floor. Thank you for the cooperative spirit in which you have worked regarding this matter and others between our committees.

Sincerely,

JERROLD NADLER,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, September 19, 2022.

Hon. JERROLD NADLER,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, DC.

DEAR CHAIRMAN NADLER: I am writing to you concerning H.R. 6265, the "Countering Assad's Proliferation Trafficking And Garnering Of Narcotics Act" or the "CAPTAGON Act. I appreciate your willingness to work cooperatively on this legislation.

I acknowledge that provisions of the bill fall within the jurisdiction of the Committee on the Judiciary under House Rule X, and that your Committee will forgo action on H.R. 6265 to expedite floor consideration. I further acknowledge that the inaction of your Committee with respect to the bill does not waive any future jurisdictional claim over the matters contained in the bill that fall within your jurisdiction.

I also acknowledge that your Committee will be appropriately consulted and involved as this or similar legislation moves forward and will support the appointment of Committee on the Judiciary conferees during any House-Senate conference convened on this legislation.

Lastly, I will ensure that our exchange of letters is included in the Congressional Record during floor consideration of the bill. Thank you again for your cooperation regarding the legislation. I look forward to continuing to work with you as the measure moves through the legislative process.

Sincerely,

GREGORY W. MEEKS,
Chairman.

Mr. SMITH of New Jersey. Mr. Speaker, I rise in support of the bill.

Mr. Speaker, I yield 4 minutes to the gentleman from Arkansas (Mr. HILL), who is the ranking member on the Financial Services Committee. He is author of this important legislation, and in the past, Mr. Speaker, he served under George Herbert Walker Bush as the Deputy Assistant Secretary of Treasury. He also was the special assistant for economic policy under 41, George Herbert Walker Bush, so he brings a wealth of knowledge and information that we are blessed to have here in this House.

Mr. HILL. Mr. Speaker, I thank my two friends from New Jersey for managing the floor, and I thank my good friend, the Speaker pro tempore (Mr. BRENDAN F. BOYLE) for working with me on this important legislation.

Mr. Speaker, I do rise in support of H.R. 6265, the CAPTAGON Act. I really appreciate Chairman MEEKS and Ranking Member MCCAUL shepherding this legislation through the committee and now to the House floor. As I said, Congressman BOYLE and I worked collectively on this over the past year, and I appreciate his leadership on our Friends of Syria Caucus.

The decade of destruction and deteriorating human rights situation in Syria is well known. But just look at the poster next to me for a snippet of the headlines coming out of the region as it relates to this poison, this drug, Captagon.

In addition to regularly committing war crimes against his own people, the Assad regime in Syria has now become a narco state. Narcotic production and trafficking in Syria and its neighbors have become more expansive and more widespread.

The current epicenter of the drug trade is in territory controlled by the Assad regime. This has been well known now for at least 2 years. Yet despite that, just last week the State Department and White House failed to include Syria in their required determinations of major drug transit and major illicit drug producing countries.

Mr. Speaker, I include in the RECORD a letter dated July 15, 2022, from Senator ROGER MARSHALL of Kansas, Representative BRENDAN BOYLE, and myself to Secretary Blinken urging that Syria be added to this determination.

Washington, DC, July 15, 2022.

Hon. ANTONY BLINKEN,
Secretary of State,
Department of State.

DEAR MR. SECRETARY: We are writing to respectfully request that your administration review and determine whether Syria meets the criteria of a "major illicit drug producing country" or "major drug-transit country" as defined in sections 481(e)(2) and 481(e)(5) of the Foreign Assistance Act of 1961 (22 U.S.C. §2291(e)(2) and §2291(e)(5)).

Elements of the Assad regime and regime-affiliated networks have reportedly engaged in state-sponsored amphetamine production and trafficking. We have seen a troubling increase in Captagon exports from Assad regime-affiliated networks relying on a robust pharmaceutical sector and smuggling routes between Syria and neighboring countries. This uptick has also coincided with increased Assad-affiliated Captagon seizures globally.

Not only is this trade a potential source of revenue for elements of the Assad regime and its affiliates, but the industrial-scale amphetamine production represents a security threat to the region itself, particularly as Captagon production can become methamphetamine with a few changes to the production process. In response, the House of Representatives designed an amendment to the National Defense Authorization Act (NDAA) for Fiscal Year 2022 to encourage your administration to develop a multi-agency strategy to disrupt and dismantle these networks. The Joint Explanatory Statement for the FY2022 NDAA noted that "the Captagon trade is a cause of instability in the Middle East that has negative implications for the national security of the United States and its allies and partners. We support development of a strategy to guide appropriate action against narcotics production and trafficking and affiliated networks linked to the regime of Bashar al-Assad in Syria."

As you know, section 706 of the Foreign Relations Authorization Act, Fiscal Year 2003 (P.L. 107-228) requires that the President submit an annual report no later than September 15 of each year that identifies each country determined by the President to be a major drug transit country or major illicit drug-producing country. In its most recent report, the White House did not list Syria among the 22 countries identified as major drug transit or major illicit drug producing countries. If a country is designated as having "failed demonstrably" in its counter-narcotics commitments, the United States must cease providing certain categories of foreign assistance (as defined in section 481(e)(4) of the Foreign Assistance Act of 1961; 22 U.S.C. §2291(e)(4)) to such country unless the President determines that the provision of such assistance is vital to U.S. national interests or that the country, at any time after the President's initial report to Congress, has made "substantial efforts" to comply with the counternarcotics conditions in the legislation. This prohibition does not affect narcotics-related assistance and humanitarian assistance (i.e., disaster relief assistance, assistance involving the provision of food or medicine, and assistance for refugees).

We, therefore, request that you determine whether the Government of Syria meets the criteria for designation as a major drug transit country or major illicit drug-producing country.

Thank you for your time and attention to this matter. We look forward to receiving your expeditious response.

Sincerely,

ROGER MARSHALL,
United States Senator.
BRENDAN BOYLE,
Member of Congress.
FRENCH HILL,
Member of Congress.

Mr. HILL. Mr. Speaker, this recent omission tracks with the administration's diplomacy disconnect from our American values. First, earlier this year, State erred and did not include Nigeria, leaving them off as a country of particular concern for religious freedom. And now it is Syria left off as a major drug-producing country.

Mr. Speaker, this is why this bill is so critical and important at this time.

We need an all-of-Government approach to addressing the Assad regime's drug production and trafficking.

Captagon has already reached Europe, and it is only a matter of time before it reaches our shores. If we do not work with our like-minded partners to first hinder the narcotics trade and replace it with a working system of institutions that serve the Syrian people, then Assad will, in fact, add the title drug kingpin to his recognized global status as a leading mass murderer.

Mr. Speaker, I urge all my colleagues to support this important bill.

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

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my good friend, FRENCH HILL, for authoring this very, very important piece of legislation. It mandates an interagency strategy on how the U.S. is responding to the destabilizing Captagon drug trade in the Middle East.

Captagon, as I think my colleagues know, is a highly addictive amphetamine that is fast becoming the most widely abused drug in the Middle East. Given the growing threat Captagon poses to the stability in the region and to individual human lives, the lack of resources devoted to address its proliferation is alarming.

In addition to this drug trade creating a crisis along Jordan's border, there is growing evidence that the murderous Assad regime is deeply involved in Captagon trafficking. This narco trafficking fuels Assad's war on the Syrian people and further threatens regional stability. The administration clearly is not doing enough, as was pointed out by my good friend and colleague, FRENCH HILL, to focus on this threat, which is why we need this bill to admonish the administration and to force the administration, the executive branch, to acknowledge this problem and to respond to it.

The CAPTAGON Act will help ensure that we are countering this destabilizing drug trade which is helping to bankroll one of the most brutal tyrants of our time.

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

Mr. MALINOWSKI. Mr. Speaker, I yield myself the balance of my time to close.

Mr. Speaker, I thank, once again, my colleagues, Representatives FRENCH HILL and BRENDAN BOYLE, for introducing this critical legislation. I hope all of our colleagues will join us in supporting it, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. MALINOWSKI) that the House suspend the rules and pass the bill, H.R. 6265.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the yeas have it.

Mr. HICE of Georgia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

URGING THE EUROPEAN UNION TO DESIGNATE HIZBALLAH IN ITS ENTIRETY AS A TERRORIST ORGANIZATION

Mr. MALINOWSKI. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 558) urging the European Union to designate Hizballah in its entirety as a terrorist organization, as amended.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 558

Whereas, in April 1983, a Hizballah terror attack against the United States Embassy in Beirut killed 63 people;

Whereas, in October 1983, a Hizballah terror attack against the United States Marine barracks in Beirut, Lebanon, killed 241 American and 58 French servicemembers supporting the Multinational Force peace-keeping mission;

Whereas, in July 2012, a Hizballah terror attack, carried out by an operative with dual Lebanese-French citizenship, in Burgas, Bulgaria, killed 5 Israeli tourists and 1 Bulgarian;

Whereas, in March 2013, a Swedish-Lebanese Hizballah operative in Cyprus was convicted of planning terror attacks against Israeli tourists;

Whereas, in June 2015, a Hizballah operative was sentenced to 6 years in prison after he stockpiled more than 8 tons of ammonium nitrate in Cyprus;

Whereas the Hizballah International Financing Prevention Act of 2015 (Public Law 114-102) and the Hizballah International Financing Prevention Amendments Act of 2018 (Public Law 115-272) broadened financial sector sanctions against Hizballah to compel foreign financial institutions to refrain from supporting the terrorist group;

Whereas, in May 2018, the Department of the Treasury imposed sanctions on Abdullah Safi-Al-Din, Hizballah's representative to Iran, Mohammad Ibrahim Bazzi, a Hizballah financier, and blacklisted 5 of Bazzi's companies, including Belgian energy services conglomerate Global Trading Group NV;

Whereas, in October 2018, French police raided the Islamic Zahra Centre on suspicion

of supporting Hizballah, freezing the organization's funds, and seizing illegal weapons;

Whereas, in September 2020, 4 former leaders of the Zahra Centre France were arrested on suspicion of continuing to run the association;

Whereas, in July 2019, the Department of the Treasury designated 2 Hizballah-backed members of Lebanese Parliament, Amin Sherri and Muhammad Hasan Ra'd, and Hizballah security official Wafiq Safa, stating that Hizballah uses its operatives in parliament to advance its violent activities;

Whereas, as of April 2020, Germany believed there to be 1,050 people with suspected links to Hizballah in the country;

Whereas Europol's June 2020 European Union Terrorism Situation and Trend Report outlined that Hizballah is "suspected of trafficking diamonds and drugs and of money laundering via the trade in second-hand cars", and the report also stated that "investigations face the difficulty of demonstrating that the funds collected are channeled to the military wing of the organization";

Whereas United States-led Project Cassandra and Operation Cedar exposed the criminal-business wing of Hizballah, the Business Affairs Component (BAC) of Hezbollah's External Security Organization;

Whereas, during Project Cassandra, Hizballah elements involved in drug trafficking were arrested in the United States, South America, and several European countries, including France, Belgium, Germany, and Italy;

Whereas Hizballah's criminal activity in Europe is run by the BAC, which reports to the External Security Organisation, also known as Unit 910, or the Islamic Jihad Organization, and Abdallah Safieddine, Hizballah's representative in Iran, is also involved in this activity;

Whereas, in August 2020, United Nations Secretary General Guterres called on Lebanon to disarm Hizballah, citing the terror group's persistent violation of Resolution 1701 (2006);

Whereas Iran is the prime sponsor of Hizballah, harboring, financing, training, and arming the group;

Whereas the Department of the Treasury and Department of State estimate that Iran provides as much as \$700,000,000 per year to Hizballah in the form of financial and logistical support, weapons, and training;

Whereas Hizballah now has an arsenal of approximately 150,000 missiles and rockets, many of which can reach deep into Israel;

Whereas Hizballah fighters have been supporting the Assad regime in Syria, often leading operations in the conflict which has left more than 500,000 dead;

Whereas Hizballah's destabilizing actions in Syria have contributed to a migrant crisis that has brought over 700,000 refugees to Europe;

Whereas Hizballah trains and provides weapons for militias in Iraq and Yemen, further destabilizing the region and perpetuating violence in those countries;

Whereas Hizballah activities continue to plague Lebanon with profound economic and political instability and violence;

Whereas, in August 2020, at least 220 people died and thousands more were injured when a massive stockpile of ammonium nitrate exploded in Beirut's port;

Whereas Hizballah's cross border illicit arms and drugs trafficking undermines the Lebanese Armed Forces, the legitimate security establishment of the country as outlined in United Nations Security Council Resolution 1701 (2006);

Whereas, in October 2012, Hizballah Deputy Secretary General Naim Qassem stated that "[Hizballah does not] have a military wing