

the aisle, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas (Mr. HILL) that the House suspend the rules and pass the bill, H.R. 3395, 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.

□ 1800

ALIGNING SEC REGULATIONS FOR THE WORLD BANK'S INTERNATIONAL DEVELOPMENT ASSOCIATION ACT

Mr. HILL of Arkansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1764) to accord securities issued by the International Development Association the same exemption to the securities laws that applies to the securities of other multilateral development banks in which the United States is a member, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1764

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 "Aligning SEC Regulations for the World Bank's International Development Association Act".

SEC. 2. EXEMPTION OF SECURITIES OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION FROM THE SECURITIES LAWS.

(a) IN GENERAL.—The International Development Association Act (22 U.S.C. 284 et seq.) is amended by adding at the end the following:

"SEC. 33. EXEMPTION OF SECURITIES OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION FROM THE SECURITIES LAWS.

"(a) EXEMPTION FROM SECURITIES LAWS; REPORTS TO SECURITIES AND EXCHANGE COMMISSION.—Any securities issued by the Association (including any guaranty by the Association, whether or not limited in scope) and any securities guaranteed by the Association as to both principal and interest shall be deemed to be exempted securities within the meaning of section 3(a)(2) of the Securities Act of 1933 (15 U.S.C. 77c(a)(2)) and section 3(a)(12) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(12)). The Association shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Association and its operations and necessary in the public interest or for the protection of investors.

"(b) AUTHORITY OF SECURITIES AND EXCHANGE COMMISSION TO SUSPEND EXEMPTION; REPORTS TO CONGRESS.—The Securities and Exchange Commission, acting in consultation with the National Advisory Council on International Monetary and Financial Problems, is authorized to suspend the provisions of subsection (a) of this section at any time as to any or all securities issued or guaranteed by the Association during the period of such suspension. The Commission shall include in its annual reports to the Congress such information as it shall deem advisable with regard to the operations and effect of this section."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect 30 days after the date of enactment of this Act.

(2) EXCEPTION.—Notwithstanding paragraph (1), the amendment made by subsection (a) shall not take effect if, before the effective date described under paragraph (1), the Secretary of the Treasury reports to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate that the International Development Association is providing financial assistance to any country the government of which the Secretary of State has determined, for purposes of section 6(j) of the Export Administration Act of 1979, section 620A of the Foreign Assistance Act of 1961, or section 40 of the Arms Export Control Act, to be a government that has repeatedly provided support for acts of international terrorism.

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

The Chair recognizes the gentleman from Arkansas.

GENERAL LEAVE

Mr. HILL of Arkansas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on this bill.

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

There was no objection.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1764, the Aligning SEC Regulations for the World Bank's International Development Association Act, the bill offered by the gentleman from California (Ms. WATERS).

Mr. Speaker, this legislation classifies securities issued by the IDA as exempted securities, subject to appropriate reporting requirements as determined by the Securities and Exchange Commission.

This change would place the IDA on equal regulatory footing with the other World Bank divisions such as the Inter-American Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, and the African Development Bank.

Prior to 2018, the IDA did not issue debt in the securities markets. Its funding came primarily from donor contributions and repayments on past loans.

As the IDA evolves to meet the needs of the world's poorest nations, it has entered the capital markets to expand its resources and its impact.

It is only logical and fair that its securities receive the same exempted status consistent with previous treatment of multilateral development bank securities.

Supporting IDA's access to efficient financing would reflect the United States' leadership in global development and our commitment to the world's most vulnerable populations.

Ms. WATERS' bill is bipartisan. It is practical. It is overdue. I urge all of my colleagues to join me in supporting this bill.

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

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

Mr. Speaker, I rise in support of my bill, H.R. 1764, the Aligning SEC Regulations for the World Bank's International Development Act.

The International Development Association, IDA, is an example of both the value of our multilateral institutions and America's leadership in these organizations. The IDA is the World Bank's lending arm, and it is one of the most effective tools we have to combat poverty and instability worldwide.

The IDA offers grants and low-cost or no-cost lending to help the poorest nations to invest in their futures, improve the lives of their citizens, and create more prosperous communities for the long term.

The United States, as the largest donor to the IDA, helps to direct where and how these funds are used. My bill would exempt IDA securities from Securities and Exchange Commission regulations, just as other World Bank arms have been exempt for decades. This ensures that the IDA can continue raising capital efficiently, allowing it to direct resources that are needed the most.

This is needed because in April 2018, the IDA began issuing securities on the bond market which are also distributed in the United States. These securities are not exempted from the SEC's registration and regulatory framework.

Congress passed legislation in 1945 and 1955, exempting other arms of the World Bank, including the International Bank for Reconstruction and Development and the International Finance Corporation, from SEC's regulations.

Importantly, this gave the SEC the ability to recall these exemptions if the SEC finds that they are harmful to U.S. investors. Moreover, many other multilateral development banks of which the U.S. is a member are exempt from the SEC regulations.

SEC exemptions for these securities are warranted as they are backed by the commitments, or equities, of the largest economies of the world including the United States.

These securities tend to be AAA rated which is the highest investment grade, making them safe investments for all investors.

Harmonizing the exemption regime available for MDBs with that of the IDA would enhance the IDA's ability to raise capital in the United States without weakening investor protection. In turn, it will be able to use these proceeds to provide increased funding for the world's poorest countries. Importantly, too, the bill retains the SEC's ability to revoke these exemptions should it find them harmful to U.S. investors.

One additional but important note is this bill comes to the floor as we await the 6-month review mandated by Donald Trump's February 4 executive order directing the Secretary of State to determine in which international organizations the U.S. should continue or from which it should withdraw. Inexplicably, that includes World Bank among other international financial institutions.

The United States has long been a leader in IFIs like the World Bank. Our leadership in these institutions provides us with a strong voice to improve global economic stability, decrease poverty, and boost prosperity.

Through our membership, we advocate for high standards, push for transparency, and drive economic reforms that benefit not only developing nations but our own national security, too. It is wrong, even unconscionable, that Donald Trump would put America's leadership in question. It is the kind of thing that only one beholden to Russia and China would do.

Mr. Speaker, I urge my Republican colleagues to speak out against the President's suggestion that we retreat from the world stage and loudly oppose any outcome of this review that will harm America's economic leadership across the globe.

Mr. Speaker, I urge my colleagues to support this bill, and I reserve the balance of my time.

Mr. HILL of Arkansas. Mr. Speaker, I include in the RECORD the CBO estimate on this bill.

H.R. 1764, ALIGNING SEC REGULATIONS FOR THE WORLD BANK'S INTERNATIONAL DEVELOPMENT ASSOCIATION ACT, AS REPORTED BY THE HOUSE COMMITTEE ON FINANCIAL SERVICES ON MARCH 21, 2025

| | By fiscal year, millions of dollars— | | |
|--|--------------------------------------|-----------|-----------|
| | 2025 | 2025–2030 | 2025–2035 |
| Direct Spending (Outlays) | 0 | 0 | 0 |
| Revenues | 0 | 0 | 0 |
| Increase or Decrease (–) in the Deficit | 0 | 0 | 0 |
| Spending Subject to Appropriation (Outlays) .. | * | * | ** |

* = between zero and \$500,000.

** = not estimated.

Increases net direct spending in any of the four consecutive 10-year periods beginning in 2036? No.

Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2036? No.

Statutory pay-as-you-go procedures apply? No.

Mandate Effects:

Contains intergovernmental mandate? No.

Contains private-sector mandate? Yes, Under threshold.

H.R. 1764 would exempt the International Development Association at the World Bank from the requirement to register securities that it issues or guarantees with the Securities and Exchange Commission (SEC). The exemption would not take effect if the Department of the Treasury determines that the association has provided financial assistance to any country identified by the Department of State as supporting terrorism. The SEC could require the association to file additional reports and, in consultation with the National Advisory Council on Inter-

national Monetary and Financial Problems, suspend the exemption at any time.

Using information about the cost of similar provisions, CBO estimates that it would cost the SEC less than \$500,000 to update rules and process any additional disclosures by the Association. Moreover, because the SEC is authorized to collect fees each year to offset its annual appropriation, CBO expects that the net effect on discretionary spending over the 2025–2030 period would be negligible, assuming appropriation actions consistent with that authority.

If the SEC increases fees to offset the costs associated with implementing the bill, H.R. 1764 would increase the cost of an existing mandate on private entities required to pay those assessments. CBO estimates that the incremental cost of the mandate would be small and would fall well below the annual threshold for private-sector mandates established in the Unfunded Mandates Reform Act (UMRA) (\$198 million in 2023, adjusted annually for inflation).

H.R. 1764 contains no intergovernmental mandates as defined in UMRA.

The CBO staff contacts for this estimate are Aurora Swanson (for federal costs) and Rachel Austin (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,

Director, Congressional Budget Office.

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

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

Mr. Speaker, this bill simply exempts IDA securities from SEC regulations, aligning with other World Bank arms which have been exempt for decades.

By making IDA securities equal to similar funds, the World Bank will have additional funds that can be applied to its mission to help the poorest of nations.

The United States has long been a leader in the international financial institutions, and this is one way that we can protect our leadership and stretch the value of our contributions to the World Bank.

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

Mr. HILL of Arkansas. Mr. Speaker, I urge a “yes” vote on this very practical bill, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GOLDMAN of Texas). The question is on the motion offered by the gentleman from Arkansas (Mr. HILL) that the House suspend the rules and pass the bill, H.R. 1764, 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.

TAIWAN CONFLICT DETERRENCE ACT OF 2025

Mr. HILL of Arkansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1716) to deter Chinese aggression towards Taiwan by requiring the Secretary of the Treasury to publish a report on financial institutions and ac-

counts connected to senior officials of the People's Republic of China, to restrict financial services for certain immediate family of such officials, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1716

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 “Taiwan Conflict Deterrence Act of 2025”.

SEC. 2. REPORT ON FINANCIAL INSTITUTIONS AND ACCOUNTS CONNECTED TO CERTAIN CHINESE GOVERNMENT OFFICIALS.

(a) FINANCIAL INSTITUTIONS REPORT.—

(1) IN GENERAL.—Not later than 90 days after the date that the President, pursuant to section 3(c) of the Taiwan Relations Act (22 U.S.C. 3302(c)), informs the Congress of a threat resulting from actions of the People's Republic of China and any danger to the interests of the United States arising therefrom, and annually thereafter for 3 years, the Secretary of the Treasury shall submit a report to the appropriate Members of Congress containing the following:

(A) With respect to each of at least 10 natural persons described under subsection (b), at least 1 of whom is a natural person listed under paragraph (1) of such subsection (b) and at least 1 of whom is a natural person listed under paragraph (2) of such subsection (b), the estimated total funds that are held in financial institutions and are under direct or indirect control by such natural person and a description of such funds.

(B) A list of any financial institutions that—

(i) maintain an account in connection with significant funds described in subparagraph (A); or

(ii) otherwise provide significant financial services to a natural person covered by the report.

(2) BRIEFING REQUIRED.—Not later than 30 days after submitting a report described under paragraph (1), the Secretary of the Treasury, or a designee of the Secretary, shall provide to the appropriate Members of Congress an unclassified or classified briefing (as determined appropriate by the Secretary) on the funds covered by the report, including a description of how the funds were acquired, and any illicit or corrupt means employed to acquire or use the funds.

(3) EXEMPTIONS.—The requirements described under paragraph (1) may not be applied with respect to a natural person or a financial institution, as the case may be, if the President determines:

(A) The funds described under paragraph (1)(A) were primarily acquired through legal and noncorrupt means.

(B) The natural person has agreed to provide significant cooperation to the United States for an important national security purpose with respect to China.

(C) A financial institution has agreed to—

(i) no longer maintain an account described under paragraph (1)(B)(i);

(ii) no longer provide significant financial services to a natural person covered by the report; or

(iii) provide significant cooperation to the United States for an important national security purpose with respect to China.

(4) WAIVER.—The President may waive any requirement described under paragraph (1) with respect to a natural person or a financial institution upon reporting to the appropriate Members of Congress that—