

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

Table with 4 columns: Item, 2025, 2025-2030, 2025-2035. Rows include Direct Spending (Outlays), Revenues, Increase or Decrease (-) in the Deficit, and 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—

(A) the waiver would substantially promote the objective of ending the threat described under paragraph (1);

(B) the threat described under paragraph (1) is no longer present; or

(C) the waiver is essential to the national security interests of the United States.

(b) **NATURAL PERSONS DESCRIBED.**—The natural persons described in this subsection are persons who, at the time of a report, are the following:

(1) A member of the Politburo Standing Committee of the Chinese Communist Party.

(2) A member of the Politburo of the Chinese Communist Party that is not described under paragraph (1).

(3) A member of the Central Committee of the Chinese Communist Party that—

(A) is none of the foregoing; and

(B) performs any official duty that directly or indirectly affects Taiwan.

(c) **FORM OF REPORTS; PUBLIC AVAILABILITY.**—

(1) **FORM OF REPORTS.**—The reports required under paragraphs (1) and (4) of subsection (a) shall be submitted in unclassified form but may contain a classified annex.

(2) **PUBLIC AVAILABILITY.**—The Secretary of the Treasury shall make the unclassified portion of the report required under subsection (a)(1) available to the public on the website and social media accounts of the Department of the Treasury—

(A) in English, Chinese, and any other language that the Secretary finds appropriate; and

(B) in precompressed, easily downloadable versions that are made available in all appropriate formats.

SEC. 3. PROHIBITION ON FINANCIAL SERVICES FOR CERTAIN IMMEDIATE FAMILY.

(a) **IN GENERAL.**—The Secretary of the Treasury shall prohibit a United States financial institution, and any person owned or controlled by a United States financial institution, from engaging in a significant transaction with—

(1) a natural person covered by a report made under section 2(a); and

(2) the immediate family of a person described under paragraph (1), if the Secretary finds that such immediate family benefits from funds described in the report.

(b) **EXCEPTIONS.**—

(1) **EXCEPTION FOR INTELLIGENCE, LAW ENFORCEMENT, AND NATIONAL SECURITY ACTIVITIES.**—Subsection (a) shall not apply with respect to any intelligence, law enforcement, or national security activity of the United States.

(2) **WAIVER.**—The President may waive the application of subsection (a) with respect to a person upon reporting to the appropriate Members of Congress that—

(A) the waiver would substantially promote the objective of ending the threat described under section 2(a)(1);

(B) the threat described under section 2(a)(1) is no longer present; or

(C) the waiver is essential to the national security interests of the United States.

(3) **FORM OF REPORTS.**—The reports required under paragraph (2) shall be submitted in unclassified form but may contain a classified annex.

(4) **EXCEPTION RELATING TO IMPORTATION OF GOODS.**—

(A) **IN GENERAL.**—The authorities and requirements authorized under this section shall not include the authority or requirement to impose sanctions on the importation of goods.

(B) **GOOD DEFINED.**—In this section, the term “good” means any article, natural or man-made substance, material, supply or manufactured product, including inspection and test equipment, and excluding technical data.

(c) **IMPLEMENTATION; PENALTIES.**—

(1) **IMPLEMENTATION.**—The President may exercise all authorities provided to the President under sections 203 and 205 of the International Emergency Economic Powers Act (50 U.S.C. 1702 and 1704) to carry out this section. Not later than 60 days after issuing a license pursuant to this section, the President shall submit a copy of the license to the appropriate Members of Congress.

(2) **PENALTIES.**—A person that violates, attempts to violate, conspires to violate, or causes a violation of this section or any regulation, license, or order issued to carry out this section shall be subject to the penalties set forth in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) to the same extent as a person that commits an unlawful act described in subsection (a) of that section 206.

(d) **TERMINATION.**—This section shall have no force or effect on the earlier of—

(1) the date that is 30 days after the date that the President reports to the appropriate Members of Congress that the threat described under section 2(a)(1) is no longer present; or

(2) the date that is 25 years after the date that the Secretary of the Treasury submits the final report required under section 2(a)(1).

SEC. 4. DEFINITIONS.

For purposes of this Act:

(1) **APPROPRIATE MEMBERS OF CONGRESS.**—The term “appropriate Members of Congress” means the Speaker and minority leader of the House of Representatives, the majority leader and minority leader of the Senate, the Chairman and Ranking Member of the Committee on Financial Services of the House of Representatives, and the Chairman and Ranking Member of the Committee on Banking, Housing, and Urban Affairs of the Senate.

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

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

(4) **FUNDS.**—The term “funds” has the meaning given to such term by the Secretary of the Treasury.

(5) **IMMEDIATE FAMILY.**—The term “immediate family” of any natural person means the following (whether by the full or half blood or by adoption):

(A) Such person’s spouse, father, mother, children, brothers, sisters, and grandchildren.

(B) The father, mother, brothers, and sisters of such person’s spouse.

(C) The spouse of a child, brother, or sister of such person.

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

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. HILL) and the gentlewoman 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.

□ 1810

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. 1716, the Taiwan Conflict Deterrence Act of 2025.

This excellent bill, introduced by our Conference chair, Mrs. MCCLAIN, demonstrates that the United States is a vital partner in supporting Taiwan. We must remain committed to supporting Taiwan as China continues to increase its military presence across the Taiwan Strait.

The U.S. and Taiwan have maintained a firm stance against any forceful efforts to change Taiwan’s status for nearly five decades. That posture is as important now as ever.

A component of the Taiwan Relations Act mandates that the President inform Congress when China makes any attempt to threaten Taiwan’s national security. Once that notification is made to Congress, Conference Chair MCCLAIN’s bill would require the Secretary of the Treasury to disclose the estimated illicit funds of China’s top officials in Beijing.

This bill is modeled after the Holding Iranian Leaders Accountable Act, a bipartisan bill that I was pleased to sponsor, which became law last year.

Congresswoman MCCLAIN’s bill does exactly what the title says. It seeks to deter China from making a terrible mistake and promises financial penalties for senior Chinese officials should they make the wrong decision and choose to attack Taiwan.

Mr. Speaker, I urge all of my colleagues to join me in supporting this excellent bill, and 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 H.R. 1716, the Taiwan Conflict Deterrence Act of 2025, sponsored by Representative MCCLAIN and cosponsored by Representative SHERMAN.

Recognizing that China is a threat to Taiwan and to democracy globally, the United States must strongly and overtly support Taiwan, in part by pushing back on China’s overt provocation toward Taiwan.

As recently as last month, China flew over 70 warplanes over the Taiwan Strait, encroaching into Taiwanese territory and raising new concerns about Chinese Government aggression.

The commander of the U.S. Indo-Pacific Command shared in his April congressional testimony that the Chinese military pressure on Taiwan has reached a “rapid boil.”

Month after month, the Chinese Communist Party and Government further press at the edges of Taiwan’s security and America’s support for Taiwan.

This Congress must speak loudly about our concern about such international actions by the Chinese Government, actions that could intentionally or unintentionally lead to an escalation of China’s conflict with Taiwan.

H.R. 1716, the Taiwan Conflict Deterrence Act of 2025, is one sensible avenue to do so, requiring the Treasury Secretary to publish a report on and restrict senior officials of the People’s Republic of China and their families from financial institutions and accounts in the United States.

The report mandated by the bill is intended to raise public awareness of hidden and corruptly gained funds that are directly or indirectly controlled by such officials—for those listed in the report, and their immediate family members.

The bill would also restrict U.S.-based financial services, intending to limit the financial options for these officials and to extend the deterrent or punitive impacts to their families.

Both actions would only occur under the bill if the President uses a never-applied—and hopefully unnecessary—clause in the Taiwan Relations Act, which would require congressional notification due to a China-led threat to “the security or the social or economic system of the people on Taiwan and any danger to the interests of the United States arising therefrom.”

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. 1716, TAIWAN CONFLICT DETERRENCE ACT OF 2025, AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON FINANCIAL SERVICES ON MARCH 27, 2025

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

* = between –\$500,000 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? Yes.

Mandate Effects:

Contains intergovernmental mandate? No.

Contains private-sector mandate? Yes, Under Threshold.

H.R. 1716 would require the Department of the Treasury to publish a report listing estimated total funds held by certain Chinese leaders and the financial institutions where significant portions of the funds are held. The report would be due within 90 days of the Congress receiving a notice from the President concerning a threat to Taiwan by China. That list would be updated every three years unless the threat is deemed no longer present. The bill also would direct the

department to prohibit the listed Chinese leaders or their families from using any U.S. financial services. That requirement would terminate either 30 days after the President deems that Taiwan is no longer under threat or 25 years after the department submits a final report.

The 1979 Taiwan Relations Act directs the President to promptly inform the Congress of any threat to the security or the social or economic systems of the people of Taiwan and of any danger to the interests of the United States that arises from that threat. CBO cannot determine when actions by China could result in the President providing such notice and thus invoking the bill’s reporting requirements. In the event of such a notice, CBO estimates that the required report and other actions would cost less than \$500,000 over the 2025–2030 period; any related spending would be subject to the availability of appropriated funds.

The Department of the Treasury would need information from the federal financial regulatory agencies, including the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency, among others, to carry out the bill’s requirements. H.R. 1716 could affect direct spending by those agencies, some of which are allowed to use fees to cover their operating costs. CBO estimates that the net change in direct spending by federal financial regulatory agencies would be less than \$500,000 over the 2025–2035 period.

Administrative costs incurred by the Federal Reserve, another federal financial regulatory agency, would reduce remittances to the Treasury; such remittances are recorded in the budget as revenues. CBO estimates that the cost to the Federal Reserve would be insignificant.

The bill also would establish civil and criminal penalties for failure to comply with the new authorities. Civil fines are recorded in the budget as revenues. Criminal fines are recorded as revenues, deposited in the Crime Victims Fund, and subsequently spent without further appropriation. CBO estimates that any additional collections and associated spending would be insignificant because of the relatively small number of additional cases likely to occur over the 2025–2035 period.

H.R. 1716 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA) on U.S. financial institutions if the Treasury prohibits transactions between them and certain Chinese leaders or their families. The cost of the mandate would include the forgone revenue that would be attributable to those transactions. Because the restriction would apply only in a small number of cases, CBO estimates that the cost of the mandate would not exceed the private-sector threshold established in UMRA (\$206 million in 2025, adjusted annually for inflation).

The bill would not impose intergovernmental mandates.

The CBO staff contacts for this estimate are Matthew Pickford (for federal costs), Nathaniel Frentz (for the Federal Reserve), and Andrew Laughlin (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 yield such time as she may consume to the gentlewoman from Michigan (Mrs. McCLAIN), our Conference chair and the author of this bill.

Mrs. McCLAIN. Mr. Speaker, I rise today in strong support of my bill, the Taiwan Conflict Deterrence Act.

The United States cannot afford to be complacent in the face of growing Chinese aggression. As a proud Representative from the State of Michigan, a State that knows the value of manufacturing, trade, and international stability, I know firsthand how vital peace in the Indo-Pacific is to American jobs and our economy.

Taiwan is not only a democratic partner. It is also a key player in the global supply chain, especially for semiconductors that power everything from our cars to our national defense system.

This bill sends a clear and bipartisan message: If the CCP wages war against Taiwan, there will be consequences. We are talking real, targeted consequences for corrupt CCP elite. Their financial dealings and offshore accounts will be exposed and published for the Chinese people to see.

We are not provoking conflict. We are actually working to prevent it. Deterrence is strongest when it is credible, and right now, credibility means passing this bill.

The Taiwan Conflict Deterrence Act is not just about Taiwan. It is about standing up for American values, protecting American interests, and preserving peace through strength.

Mr. Speaker, I urge my colleagues on both sides of the aisle to support this important legislation that I was proud to introduce. Let’s show the world that the United States stands firm against Communist aggression and alongside our allies.

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, I support H.R. 1716, co-sponsored by my colleagues Representative McCLAIN and Representative SHERMAN.

This bill supports Taiwan in combating Chinese provocations against Taiwan. This bipartisan bill proposes to restrict top officials in China from having significant transactions or engagement at American financial institutions and aims to expose hidden funds of Chinese officials if the Taiwan Relations Act congressional notification is ever triggered by a United States President.

Especially now, as China increases its forays into Taiwanese territory, the United States Congress should support stricter measures against China’s Government, sending the message that we will not tolerate the next step beyond its incursions.

□ 1820

I support H.R. 1716 to protect global security and democracy, and I support doing more to accomplish this goal.

Mr. Speaker, I, again, 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 important bill to deter China, 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. 1716, 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.

OFAC LICENSURE FOR INVESTIGATORS ACT

Mr. HILL of Arkansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1450) to require the Office of Foreign Assets Control to develop a program under which private-sector firms may receive a license to conduct nominal financial transactions in furtherance of the firms' investigations, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1450

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 "OFAC Licensure for Investigators Act".

SEC. 2. SENDING AND RECEIVING OF NOMINAL AMOUNTS.

(a) IN GENERAL.—The Director of the Office of Foreign Assets Control shall, not later than 1 year after the date of the enactment of this section, establish a pilot program under which a private sector firm may receive a license to conduct nominal financial transactions in furtherance of the firm's investigations.

(b) COORDINATION.—When establishing and carrying out the pilot program required under subsection (a), the Director of the Office of Foreign Assets Control shall coordinate with the Director of the Financial Crimes Enforcement Network for the purposes of supporting activities of the Financial Crimes Enforcement Network Exchange, as described in section 310(d) of title 31 of the United States Code.

(c) REPORTING ON ACTIVITIES.—Each private sector firm that receives a license described under subsection (a) shall submit a detailed monthly report to the Director of the Office of Foreign Assets Control on the activities of the firm conducted under such license.

(d) REPORT TO CONGRESS.—

(1) IN GENERAL.—On the date that is 1 year after the date on which the pilot program is established under this section, and annually thereafter until the end of the 1-year period beginning on the date the pilot program is terminated, the Director of the Office of Foreign Assets Control shall submit a report to the Committees on Financial Services and Foreign Affairs of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs and Foreign Relations of the Senate containing—

(A) the number of licenses requested under the pilot program;

(B) the number of licenses granted under the pilot program; and

(C) a broad discussion of the utility of the pilot program.

(2) CLASSIFIED BRIEFING.—After submission of each report required under paragraph (1), the Director of the Office of Foreign Assets

Control shall provide the Committees on Financial Services and Foreign Affairs of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs and Foreign Relations of the Senate with a classified briefing containing—

(A) additional detail on the applicants for a license under the pilot program;

(B) identification of the firms granted a license;

(C) information on the operation of the pilot program, including how long each license lasted and the personnel needed to manage the pilot program;

(D) information gleaned by the Office of Foreign Assets Control from running the pilot program;

(E) the utility of that information;

(F) any obstacles to the operation or utility of the pilot program; and

(G) any recommendations for improving or extending the pilot program.

(e) TERMINATION.—The pilot program established by the Director of the Office of Foreign Assets Control under subsection (a) shall terminate on the date that is 5 years after the date on which the Director of the Office of Foreign Assets Control establishes such program.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. HILL) and the gentlewoman 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 to revise and extend their remarks and include extraneous material on the 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. 1450, the OFAC Licensure for Investigators Act.

When it comes to combating illicit finance, effective public-private partnerships are critical. Tracking and disrupting sophisticated crime networks requires cooperation between our government and private-sector experts.

These partnerships play an integral role in our ability to safeguard the U.S. financial system and our national security.

Mrs. BEATTY's commonsense bill authorizes private-sector firms, operating under an OFAC license, to conduct nominal transactions with sanctioned entities, allowing them to more effectively trace funds and uncover illicit networks during financial crime investigations.

The gentlewoman and I agree that while the private sector can provide a helping hand in tracking down bad actors, it is ultimately the government's responsibility to provide clear legal guidance and guardrails to support their efforts.

Mr. Speaker, I urge all my colleagues to join me in supporting this bill, and 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 H.R. 1450, the OFAC Licensure for Investigators Act, sponsored by Representative BEATTY.

This bill would require the Secretary of the Treasury to develop a pilot program at the Office of Foreign Assets Control, OFAC, by which private-sector firms like blockchain analytics firms or the financial intelligence units within correspondent banks could receive a license to send or receive nominal financial transactions to and through sanctioned entities. These small amounts could yield big details that could further our understanding of what is happening and by whom in sanctions evasion and money laundering investigations.

We need what this bill proposes because as the global anti-money laundering and countering the financing of terrorism regime has become increasingly effective in detecting and deterring the abuse of the financial system, bad actors have often moved their transactions into illicit markets and spaces or used technologies and methods that are harder to track.

Investigative efforts by firms and in-house functions dedicated to tracking down these attempts to avoid detection help banks and governments, among others, to identify bad actors, accounts, and typologies used by criminals and terrorists. They are limited, however, in how far they can see into these dirty operations.

One of those limitations in the visibility into the financial transactions of bad actors is due to sanctions, which appropriately and forcefully prevents parties from engaging with targets of sanctions. Investigators, whether in private firms or large bank intelligence units, must stop a transaction after finding evidence that suggests that a wallet, account, or address may be associated with a sanctioned person. With the specific licenses envisioned by this bill, OFAC would closely manage narrow and explicit exceptions to its sanctions programs to allow investigators to engage with sanctioned persons in order to gain more visibility into the opaque networks and practices.

Again, OFAC would be limited to allowing only nominal amounts for such traceable transfers. The bill also ensures that there is robust oversight of this process, requiring the recipients of these specific licenses to report to OFAC monthly on their findings. This is similar in concept to the keep-open letters that government officials provide to financial institutions to keep open suspicious accounts so the government can watch the transactions and follow the money.

That is because H.R. 1450 would help investigators better follow the money to make their sanctions and money laundering investigations more fruitful for the United States Government, banks, and others that employ such services.

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