

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 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 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.

Mr. HILL of Arkansas. Mr. Speaker, I include the Congressional Budget Office estimate for this bill in the RECORD.

H.R. 1450, OFAC LICENSURE FOR INVESTIGATORS ACT, AS 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)	0	0	0
Revenues	0	0	0
Increase or Decrease (–) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays) ..	0	4	5

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? No.

H.R. 1450 would require the Office of Foreign Assets Control (OFAC) to establish a pilot program under which it could license private firms to conduct small financial transactions with sanctioned entities in order to collect data and intelligence on those entities. Those transactions might otherwise be prohibited because some parties to the transactions are subject to sanctions. The bill would require OFAC to report to the Congress on its implementation of that program. The authority to issue licenses and the reporting requirement would expire five years after OFAC begins issuing those licenses.

Based on information from OFAC, CBO expects the office would need five employees to implement and administer the pilot program starting in fiscal year 2026. CBO estimates the compensation and operating expenses for those employees and the cost of the reporting requirements would amount to \$5 million over the 2025–2035 period. Such spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Emma Uebelhor. The estimate was reviewed by Christina Hawley Anthony, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,
Director, Congressional Budget Office.

Mr. HILL of Arkansas. Mr. Speaker, I yield 1 minute to the gentleman from Iowa (Mr. NUNN) to talk about the aspects of this bill from his perspective of being a former intelligence officer.

Mr. NUNN of Iowa. Mr. Speaker, I rise in strong support of the bipartisan OFAC Licensure for Investigators Act, which I am proud to co-lead with my friend on the other side of the aisle, the Representative from Ohio (Mrs. BEATTY).

Terrorist networks like Iran's Islamic Revolutionary Guard Corps, the Russian Mafia, and North Korean cybercriminals are no longer relying solely on traditional cash couriers or shell companies. They now exploit financial platforms, adopting increasingly sophisticated approaches to fund acts of terrorism.

These organizations adapt quickly, using every loophole in the global financial system to mask the origin and the destination of their funds.

Fortunately, the United States is home to some of the world's most advanced financial technology firms and data analytics companies.

Just this spring, the FBI, working hand in hand with blockchain forensics firms, seized \$1.5 billion in stolen digital assets from the North Korea-affiliated Lazarus Group. That is why I am so proud to be able to work together on legislation which establishes a pilot program within the Department of the Treasury to enable private-sector firms to collaborate with Treasury to enhance our investigative leads. These teams, working together, fusing the best information, help provide a vital tool in combating the evolving threats posed by terrorism.

I thank Representative BEATTY and the House Financial Services Committee for their leadership.

Ms. WATERS. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio (Mrs. BEATTY), who is also the ranking member of the Subcommittee on National Security, Illicit Finance, and International Financial Institutions, and is the sponsor of this bill.

Mrs. BEATTY. Mr. Speaker, I thank Congresswoman WATERS for yielding.

I rise in support of my bipartisan bill, H.R. 1450, the OFAC, Licensure for Investigators Act, which I am very proud to co-lead with my colleague, the gentleman from Iowa (Mr. NUNN).

This bill, Mr. Speaker, requires the Secretary of the Treasury to develop a special licensing pilot program within the Office of Terrorism and Financial Intelligence, and it will be administered by the Office of Foreign Assets Control.

This pilot project would grant private-sector firms a temporary specific license to conduct nominal financial transactions with sanctioned entities to assist with law enforcement investigations. These private firms would be, for example, as you have heard, Mr. Speaker, blockchain analytics firms or the financial intelligence units within corresponding banks.

The commonsense legislation seeks to enhance the tools at our disposal to investigate sanctioned individuals and entities and to hold bad actors accountable, and that is very important.

This concept is similar to, as you have heard by our ranking member, Mr. Speaker, a keep-open letter, which is when the government asks a bank to keep a suspicious illicit account open. As it stands now, private financial firms are currently limited to their capacity to engage with sanctioned entities due to a robust sanction regime.

That also means that it is impossible to access data about bad actors' networks and methods, intelligence that would be of great assistance to law enforcement agents, to government, to consumers of their products, and the financial industry overall, Mr. Speaker.

So by giving OFAC the authority to tailor the parameters of the specific licensure pilot program, this legislation enhances our investigatory toolbox

while guaranteeing essential protections.

For example, the specific license would be well-defined and narrowly applied, ensuring that private firms only conduct nominal transactions, for example, \$5, \$10, so they can collect better data and intelligence.

Lastly, the program would have strict oversight, requiring that licensure recipients provide detailed monthly reports to OFAC on their activities and findings under the license.

This innovative bill harnesses the vast resources of the private sector and allows the Federal Government to work collaboratively with financial firms to further our national security goals.

Mr. Speaker, I urge my colleagues to join our chairman, our ranking member, and my colleague, Mr. NUNN, in supporting this bill.

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Ms. WATERS. Mr. Speaker, this bill, H.R. 1450, the OFAC Licensure for Investigators Act from Representative BEATTY would develop a program at the Department of the Treasury that would allow financial crime investigators, including those at the Office of Foreign Assets Control, that is OFAC, to better trace and understand the efforts by bad actors to evade sanctions and launder funds. By allowing nominal amounts to be directed through certain accounts with stringent U.S. Government oversight, banks, government agencies, and others seeking knowledge about how these bad actors behave and are connected will benefit. This bill will help to keep our financial system and national security secure.

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, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. WEBER 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. 1450.

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.

ANNOUNCEMENT BY THE SPEAKER
PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on questions previously postponed. Votes will be taken in the following order:

H.R. 3095; and

H.R. 3351.

The first electronic vote will be conducted as a 15-minute vote. Pursuant to clause 9 of rule XX, the remaining electronic vote will be conducted as a 5-minute vote.