

Record during floor consideration of H.R. 5607.

Sincerely,

JEB HENSARLING,
Chairman.

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

Mr. Speaker, I rise to speak in support of H.R. 5607, entitled, Enhancing Treasury's Anti-Terror Tools Act.

Again, I would like to thank my colleague and the vice chair of our task force, the gentleman from North Carolina (Mr. PITTENGER), for his great work on this and for introducing this bill. I am proud to serve as the lead Democratic cosponsor on this most important legislation.

This bill will enhance tools available to the Department of the Treasury in its efforts to combat the financing of terror, money laundering, and related illicit finance.

This legislation is one of a package of bills that reflects the culmination of 11 hearings in the Financial Services Committee's Task Force to Investigate Terrorism Financing, which explored a wide range of vulnerabilities in the global financial system.

Over the course of the task force hearings, Members learned that there are relatively few full-time Treasury attaches at our embassies. At one point I know that members of the task force met with our Treasury attaches in the Middle East, and they are so thin on representation there that several of them have multi-country responsibilities requiring them to hop around and deal with several high-risk locations and countries. So we obviously need to get them some more help. They do a tremendous job. Don't get me wrong. I am extremely pleased and proud of the work that Treasury does, but I think they could use some more resources, and this bill aims at that vulnerability.

Over the course of the task force hearings, Members learned that there are relatively few full-time Treasury attaches at our embassies around the globe to lend their expertise and to help them eliminate terrorism and money laundering vulnerabilities in the global financial system. The bill before us today takes welcome steps to help us better understand how to improve coordination between the Department of the Treasury, foreign financial ministries, and foreign central banks in an effort to block the financing of terror, money laundering, and related illicit finance.

The legislation also addresses gaps that the Treasury Department has identified in its efforts to compel reporting of information on transactions that present elevated anti-money laundering risks, which may not be captured by broad-based anti-money laundering program requirements.

Additionally, the legislation takes steps to address longstanding humanitarian concerns resulting from the private sector's increased unwillingness to serve higher-risk areas like Somalia. With few global banks willing to

keep remittance channels open, diaspora communities here in the U.S. have been left with few safe and legitimate channels to get critical funds to their families back home.

The bill seeks to address this growing concern by directing the Treasury Department to review and report on the viability of creating a pilot program aimed at helping banks and credit unions become more comfortable offering account services to countries that facilitate remittances to high-risk locations.

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Finally, the bill would promote the importance of America's international engagement by encouraging the Secretary of the Treasury to work with finance ministries around the world to spur the integration of intelligence authorities with anti-money laundering and counterterrorism finance efforts.

I am extremely pleased with this legislation, and I would like to commend all of my colleagues on the task force for their efforts to help counter the financing available to terrorist groups. Our work on the task force has been a truly bipartisan effort, it has been a pleasure, and I look forward to the opportunities to build on this good work in the future.

I reserve the balance of my time.

Mr. FITZPATRICK. Mr. Speaker, I thank my colleague, Mr. LYNCH, for his hard work on this important bill.

This bill contains seven sections, and each of those sections was the subject of extensive testimony and work in the 11 hearings of the task force over the course of the past 1½ to 2 years.

I yield such time as he may consume to the gentleman from North Carolina (Mr. PITTENGER), the author of the bill.

Mr. PITTENGER. Mr. Speaker, I thank Chairman FITZPATRICK for yielding and for his leadership. I thank the gentleman from Massachusetts (Mr. LYNCH) for his extraordinary support and skills and knowledge in these areas. It has really been an honor to work with him.

Our proposal seeks to enhance a number of the tools the Treasury Department uses in its efforts to combat the financing of terror, money laundering, and the related illicit finance.

Specifically, our bill helps specify the roles the Treasury Department plays, both domestically and abroad, to assist in the fight against terror finance. Over the past year, our Task Force to Investigate Terrorism Financing has received ample testimony supporting the role of Treasury in our larger strategic efforts to defeat ISIS and other global terrorist networks.

Many individuals are not aware of the substantial role our Treasury Department plays in our embassies abroad. Treasury has several attaches abroad that are used to supplement foreign efforts to enforce financial laws and combat terror financing. This bill is an effort to support Treasury's role in our larger strategic efforts to defeat

terrorist organizations and put an end to their operations.

Mr. Speaker, the longer groups like ISIS remain on the battlefield, the more effective their messaging and recruitment efforts become. Congress must fully support our government's efforts to stop the flow of dollars and resources from funding terror. This bill will allow Treasury to report to Congress on its role in various countries throughout the world and, subsequently, the need to expand that role. It also will provide to Congress its advisability and the implications of turning the Treasury's Office of Terrorism and Financial Intelligence—which includes FinCEN and OFAC—sanctions enforcement unit into a stand-alone bureau, similar to the FBI.

Mr. Speaker, I commit this bill to our body, and I seek the full support in this truly bipartisan effort that we have had on our task force.

Mr. LYNCH. Mr. Speaker, I don't have any further speakers.

I yield back the balance of my time.

Mr. FITZPATRICK. Mr. Speaker, I have no further speakers.

We ask our colleagues to support and adopt H.R. 5607.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. FITZPATRICK) that the House suspend the rules and pass the bill, H.R. 5607, 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. AMASH. 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.

INCLUSION OF ALL FUNDS WHEN ISSUING CERTAIN GEOGRAPHIC TARGETING ORDERS

Mr. FITZPATRICK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5602) to amend title 31, United States Code, to authorize the Secretary of the Treasury to include all funds when issuing certain geographic targeting orders, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5602

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCLUSION OF ALL FUNDS.

(a) IN GENERAL.—Section 5326 of title 31, United States Code, is amended—

(1) in the heading of such section, by striking “**coin and currency**”;

(2) in subsection (a)—

(A) by striking “subtitle and” and inserting “subtitle or to”; and

(B) in paragraph (1)(A), by striking “United States coins or currency (or such

other monetary instruments as the Secretary may describe in such order)" and inserting "funds (as the Secretary may describe in such order)," and

(3) in subsection (b)—

(A) in paragraph (1)(A), by striking "coins or currency (or monetary instruments)" and inserting "funds"; and

(B) in paragraph (2), by striking "coins or currency (or such other monetary instruments as the Secretary may describe in the regulation or order)" and inserting "funds (as the Secretary may describe in the regulation or order)".

(b) CLERICAL AMENDMENT.—The table of contents for chapter 53 of title 31, United States Code, is amended in the item relating to section 5326 by striking "coin and currency".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. FITZPATRICK) and the gentleman from Massachusetts (Mr. LYNCH) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania.

GENERAL LEAVE

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the bill.

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

There was no objection.

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

Mr. Speaker, H.R. 5602 amends the section of the United States Code that allows the Treasury Secretary to issue "geographical targeting orders," requiring more detailed information to be reported to the Treasury Department regarding certain types of transactions in a specific area for a limited amount of time.

These geographical targeting orders, or GTOs, allow the Treasury to seek more granular detail on a type of activity in a specific area believed to be used for some form of illicit finance. GTOs in the past have been used to identify trade-based money laundering in counterfeit electronics or garments, or to identify repatriation of drug sales proceeds to drug traffickers.

During a February task force hearing, former U.S. intelligence officer and Treasury special agent cited trade-based money laundering as an area of concern when dealing with illicit financing, stating that such techniques are allowing our adversaries to transfer value to one another right under our noses.

Current language allows the Secretary to seek more detailed reporting of coins, currency, or monetary instruments. But Treasury believes that language does not, in some instances, allow for requiring, or compelling the reporting of, information on some sorts of noncash transactions.

As illicit finance increasingly seeks to elude detection in the legal banking system, a slightly broader of what

sorts of transfers of value should be reported would make such GTOs more effective, in Treasury's view.

I reserve the balance of my time.

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

Mr. Speaker, I would like to start by thanking House Financial Services Committee Chairman HENSARLING of Texas and Ranking Member MAXINE WATERS of California for creating the Financial Services Committee's Task Force to Investigate Terrorism Financing, which is a 21-member bipartisan group charged with ensuring that our government is using every tool at its disposal to deprive groups like the Islamic State, Boko Haram, and other terrorist organizations of the funds they rely on to advance their destructive ideology.

I would also like to thank our chairman, the gentleman from Pennsylvania (Mr. FITZPATRICK); our vice chair, the gentleman from North Carolina (Mr. PITTENGER); and the rest of my colleagues on the Financial Services Committee for their work to improve our efforts to halt terrorist financing.

The bill I introduced that is before us today expands the Financial Crimes Enforcement Network's ability to collect information under geographic targeting orders. My colleagues on both sides of the aisle, including Mr. PETER KING of New York, Ms. MAXINE WATERS of California, Mr. MICHAEL FITZPATRICK of Pennsylvania, Mr. GREGORY MEEKS of New York, Mr. STEVE STIVERS of Ohio, Mr. BRUCE POLIQUIN of Maine, Mr. ROBERT PITTENGER of North Carolina, Mr. KEITH ELLISON of Minnesota, Mr. ANDY BARR of Kentucky, Mr. BILL FOSTER of Illinois, Mr. BRAD SHERMAN of California, Mr. FRENCH HILL of Arkansas, and Mr. AL GREEN of Texas, joined me in cosponsoring this important legislation.

During congressional delegations to foreign countries to deal with the central banks in other countries and also financial intelligence units from very difficult locations, we made it a priority to meet with regional financial intelligence units to get updates on efforts to combat terrorist financing. Witnessing the important work of the FIUs around the globe demonstrates the need for the United States to continue to support efforts to develop robust legal, regulatory, and operational frameworks to combat terrorist financing and money laundering.

In line with that, it is crucial that we work to strengthen the Financial Crimes Enforcement Network, FinCEN, the U.S. financial intelligence unit. By sharing financial intelligence with law enforcement, private industry, and its foreign counterparts, FinCEN supports financial crime investigations throughout the world. Terrorists' proven ability to move money through innovative means necessitates continued progress in this critical counterterrorism area.

The smart, brave Americans who serve at FinCEN work tirelessly every day to track and stop the flow of pro-

ceeds of crime and funds that would otherwise be used to aid terrorism in order to safeguard our financial system from evolving money laundering and national security threats.

FinCEN's critical role is evidenced through its recent support to the Paris and Belgium terrorist attack investigations, where FinCEN's expertise assisted in quickly identifying links between those two attacks. FinCEN published 51 intelligence reports related to the Paris attacks and two intelligence reports related to the Brussels attack. Moreover, FinCEN's financial intelligence played an important role in identifying potential Islamic State foreign terrorist fighters.

With increasingly complex and rapidly evolving terrorist networks, we need to ensure that we provide FinCEN with all of the tools and resources it needs to fight evolving terrorist threats.

The geographic targeting order expansion is a new device in the counterterrorism financing toolkit to catch bad actors that are adapting to our countermeasures. If enacted into law, this legislation will allow us to identify wider networks of terrorist financiers and their enablers. We introduced this legislation because the experts at FinCEN told us they need it to stop bad actors.

So on behalf of Representatives PETER KING, MAXINE WATERS, MIKE FITZPATRICK, GREG MEEKS, STEVE STIVERS, BRUCE POLIQUIN, BOB PITTENGER, KEITH ELLISON, ANDY BARR, BILL FOSTER, BRAD SHERMAN, FRENCH HILL, and AL GREEN, I urge my colleagues to support this important legislation.

I yield back the balance of my time.

Mr. FITZPATRICK. Mr. Speaker, I just want to, again, thank my colleague, Mr. LYNCH, for bringing this bill to the task force's attention and for authoring the bill. The bill is smart. It is targeted. It will help the United States Treasury Department do its job of rooting out those who finance terrorism so that we can all remain safe.

With that, I ask my colleagues to support and adopt H.R. 5602.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. FITZPATRICK) that the House suspend the rules and pass the bill, H.R. 5602.

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. AMASH. 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.

DHS STOP ASSET AND VEHICLE EXCESS ACT

Mr. PERRY. Mr. Speaker, I move to suspend the rules and pass the bill (HR.