

Lastly, I would say that if we are going to criminalize private ownership of businesses, why not do that in the beginning rather than criminalize failure to report to an agency that doesn't exist.

All of these questions have failed to be addressed directly by the executive branch, and they are blown through with the way this bill addresses the problem.

This type of information already exists. We do not need another Federal database prone to be abused or a crushing mandate that will harm law-abiding Americans and be ignored by criminals.

Mr. Chair, I urge support for my amendment and opposition to the bill without it.

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

Ms. WATERS. Mr. Chair, I claim the time in opposition to the amendment.

The Acting CHAIR. The gentlewoman from California is recognized for 5 minutes.

Ms. WATERS. Mr. Chair, I firmly oppose the Davidson amendment because it would gut the bill.

After years of working to ensure that criminals, terrorists, and enemies of the United States can no longer use loopholes to cloak their dangerous acts from law enforcement, this amendment heedlessly tries to jettison this significant layer of defense.

If the amendment is adopted, there would be no requirement to share the identities of the beneficial owners of corporations and LLCs that currently do not make such disclosures.

If adopted, there would be no ability for law enforcement to get information that it needs to unmask the wrongdoers who abuse State laws to hide their global criminal activities.

To make things worse, the amendment would repeal the FinCEN customer due diligence, or CDD, rule, which currently requires banks to identify and verify the beneficial ownership of corporate customers. It prevents criminals, kleptocrats, and others looking to hide ill-gotten proceeds from accessing the financial system anonymously.

The Director of FinCEN said that the CDD rule is "but one critical step toward closing this national security gap. The second critical step . . . is collecting beneficial ownership information at the corporate formation stage."

An outright and immediate repeal of this rule endangers the financial system by leaving a dangerous new gap in information about bank customers while the implementation of H.R. 2513 gears up.

The safer approach, and one supported by the financial institutions, is to require the Treasury to remove identified redundancies after the database becomes operational. This is precisely what H.R. 2513 already does.

Mr. Chairman, the AFL-CIO, Oxfam, the FACT Coalition, FBI, Treasury, DOJ, FinCEN, as well as the Fraternal

Order of Police, the Federal Law Enforcement Officers Association, and most State attorneys general have urged Congress to pass H.R. 2513 to develop a Federal beneficial ownership database.

The Davidson amendment would undermine this effort before it can begin.

Mr. Chair, I urge my colleagues to vote "no" on this amendment, and I reserve the balance of my time.

Mr. DAVIDSON of Ohio. Mr. Chairman, may I inquire as to the balance of my time.

The Acting CHAIR. The gentleman from Ohio has 2 minutes remaining.

Mr. MCHENRY. Will the gentleman yield?

Mr. DAVIDSON of Ohio. I yield to the gentleman from North Carolina (Mr. MCHENRY).

Mr. MCHENRY. Mr. Chair, I appreciate my colleague for yielding.

I think this highlights the very fact that this bill provides no regulatory relief for financial institutions to collect information under the customer due diligence rule. It highlights the nature of this obligation, especially on small businesses, and the paperwork burden on small businesses and, on top of that, the paperwork burden on financial institutions to collect enormous amounts of information.

The very nature of this amendment highlights the missing elements of the underlying bill.

Mr. Chair, I appreciate my colleague for yielding.

Mr. DAVIDSON of Ohio. Mr. Chairman, I yield myself the balance of my time to close.

In closing, I would simply say that this would presume that criminals are somehow going to cease their criminal activity, all because they have to file a report.

The reality is this is going to criminalize business ownership, violate the civil liberties of business owners across America, and make them vulnerable to further abuse by criminals.

Mr. Chair, I urge support for this amendment and opposition to the underlying bill without its adoption.

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

Ms. WATERS. Mr. Chair, I yield the balance of my time to the gentlewoman from New York (Mrs. CAROLYN B. MALONEY), the sponsor of this important legislation.

Mrs. CAROLYN B. MALONEY of New York. Mr. Chair, I thank the chairwoman for yielding.

Mr. Chair, I strongly oppose this amendment, which would completely gut the bill and would dramatically weaken our national security.

Right now, the only protection we have in place against bad actors using anonymous shell companies to launder their money through the U.S. is FinCEN's customer due diligence rule, which requires financial institutions to find out the beneficial owners of the corporations and the entities that open accounts with them.

The FinCEN rule, which is very important, is still only half a measure. When FinCEN passed the rule, they explicitly said that Congress still needed to pass the bill that is before us today.

Mr. DAVIDSON's amendment would not only delete the underlying bill but would also repeal the FinCEN rule. In other words, it is worse than the status quo and practically invites criminals and money launderers to use the U.S. financial system.

Mr. Chair, this is a deeply irresponsible amendment, and I strongly urge my colleagues to oppose it and to support the underlying bill.

Ms. WATERS. Mr. Chair, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Ohio (Mr. DAVIDSON).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Ms. WATERS. Mr. Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Ohio will be postponed.

Ms. WATERS. Mr. Chair, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PAPPAS) having assumed the chair, Mr. CUELLAR, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 2513) to ensure that persons who form corporations or limited liability companies in the United States disclose the beneficial owners of those corporations or limited liability companies, in order to prevent wrongdoers from exploiting United States corporations and limited liability companies for criminal gain, to assist law enforcement in detecting, preventing, and punishing terrorism, money laundering, and other misconduct involving United States corporations and limited liability companies, and for other purposes, had come to no resolution thereon.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. CUELLAR). Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or votes objected to under clause 6 of rule XX.

The House will resume proceedings on postponed questions at a later time.

RODCHENKOV ANTI-DOPING ACT OF 2019

Ms. JACKSON LEE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 835) to impose criminal sanctions on certain persons involved in