

## PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from California (Mr. LAMALFA) come forward and lead the House in the Pledge of Allegiance.

Mr. LAMALFA led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Ms. Kaitlyn Roberts, one of his secretaries.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to 15 requests for 1-minute speeches on each side of the aisle.

## THE AMERICAN PEOPLE DESERVE BETTER

(Mr. MURPHY of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MURPHY of North Carolina. Mr. Speaker, I rise today on an urgent matter confronting our country.

The American people are experiencing the worst series of self-inflicted crises in a generation.

Inflation is at a 40-year high. Gas is up 42 percent. Utilities are up 20 percent.

Either President Biden doesn't care or is being insulated from reality.

We saw the worst jobs report of the Presidency this last month. Self-induced labor shortages are plaguing businesses. Shelves are bare. Container ships are stacking up.

We have the worst Biden-created border crisis in 30 years, yet the President has time to go to Delaware every weekend but not the border?

Hundreds of Americans are still in Afghanistan, meanwhile President Biden and Democrats are trying to ram through trillions in new tax hikes.

So what is the administration working on? What are their priorities? A national gender strategy. Are you kidding me? This administration cares more about which pronoun you use than countering the Chinese threat or the threat at our southern border.

Mr. Speaker, the American people deserve better than this. My constituents deserve better than this. Our Nation deserves better than this.

## RECOGNIZING PEAK FARMS

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Mr. Speaker, once again this year, a local farm in North Caro-

lina's Fifth District has been selected to provide the White House Christmas tree.

Rusty and Beau Estes, the owners of Peak Farms in Ashe County, are no strangers to this prestigious selection process.

In both 2008 and 2012, Peak Farms provided Fraser firs to the White House, and in 2018, the farm was selected to deliver the Christmas tree to the residence of Vice President Mike Pence.

Mr. Speaker, this is a terrific accomplishment, and it represents the best that North Carolina has to offer.

Congratulations to both Rusty and Beau. Mr. Speaker, yet again, Rusty and Beau have proven that North Carolina's Fifth District is the premier provider of Christmas trees throughout the country.

## RECOGNIZING THE DEPARTURE OF RILEY SCOTT

(Mr. LAMALFA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAMALFA. Mr. Speaker, I rise today with bittersweet sentiments.

I recognize the departure of my legislative assistant, Riley Scott, of Petaluma, California, to an amazing, new adventure.

Riley has been, in addition to her strong work in my office for 2 years, a lifetime swimmer and received a full ride out of high school to USC where she won several PAC-12 championships and competed at the top level in the NCAA's.

I point out this impressive record because Riley's new opportunity will be competing to represent our country in the 2024 Paris Olympics.

Riley will be training for the women's pentathlon, which consists of, of course, swimming, horsemanship, a combination of running, pistol shooting, and fencing.

Now, I told Riley that there is a lot of fencing around our ranch that needed to be repaired, but she said that wasn't the same thing.

I told Riley early on if she ever had this type of opportunity post college, she had to go out and take that chance and do it, and so she is.

It is a loss for our office and here in Congress, but watch as Riley goes for the gold as Californians are known to do.

Fight on to victory, Riley Coyote.

## AMERICA'S ENERGY SECURITY IS IN JEOPARDY

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, President Biden's radical policies have stymied America's energy independence and created a crisis, unfortunately.

The national average price for a gallon of gas has climbed to its highest

level since 2014 and is 66 percent higher than it was last year.

On day one, President Biden destroyed 11,000 American jobs by canceling the Keystone Pipeline.

President Biden paused new domestic oil and gas leases, which will cost one million American jobs and decrease the GDP by \$700 billion.

Instead of allowing American companies to increase domestic production and hire more U.S. workers, President Biden and his administration has pleaded with OPEC and Russia to increase global output to ease rising fuel prices.

Democrats in Congress are pushing a multitrillion-dollar spending package, which includes a tax hike on fuel.

These actions jeopardize our Nation's energy security and will increase costs for all American families, unfortunately.

## RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 8 minutes p.m.), the House stood in recess.

□ 1700

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. MCNERNEY) at 5 p.m.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on the motions to suspend the rules on which the yeas and nays are ordered.

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

## SOVEREIGN DEBT CONTRACT CAPACITY ACT

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4111) to require the Secretary of the Treasury to direct the United States Executive Director at the International Monetary Fund to advocate that the Fund provide technical assistance to Fund members seeking to enhance their capacity to evaluate the legal and financial terms of sovereign debt contracts, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4111

*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 "Sovereign Debt Contract Capacity Act".

**SEC. 2. SUPPORT TO ENHANCE THE CAPACITY OF INTERNATIONAL MONETARY FUND MEMBERS TO EVALUATE THE LEGAL AND FINANCIAL TERMS OF SOVEREIGN DEBT CONTRACTS.**

(a) IN GENERAL.—Title XVI of the International Financial Institutions Act (22 U.S.C. 262p–262p–13) is amended by adding at the end the following:

**“SEC. 1630. SUPPORT TO ENHANCE THE CAPACITY OF FUND MEMBERS TO EVALUATE THE LEGAL AND FINANCIAL TERMS OF SOVEREIGN DEBT CONTRACTS.**

“The Secretary of the Treasury shall instruct the United States Executive Director at the International Monetary Fund to use the voice and vote of the United States to advocate that the Fund promote international standards and best practices with respect to sovereign debt contracts and provide technical assistance to Fund members, and in particular to lower middle-income countries and countries eligible to receive assistance from the International Development Association, seeking to enhance their capacity to evaluate the legal and financial terms of sovereign debt contracts with multilateral, bilateral, and private sector creditors.”.

(b) REPORT TO THE CONGRESS.—Within 1 year after the date of the enactment of this Act, and annually thereafter for the next 4 years, the Secretary of the Treasury shall report to the Committee on Financial Services of the House of Representatives and the Committee on Foreign Relations of the Senate on—

(1) the activities of the International Monetary Fund in the then most recently completed fiscal year to provide technical assistance described in section 1630 of the International Financial Institutions Act, including the ability of the Fund to meet the demand for the assistance; and

(2) the efficacy of efforts by the United States to achieve the policy goal described in such section and any further actions that should be taken, if necessary, to implement that goal.

(c) SUNSET.—The amendment made by subsection (a) shall have no force or effect after the 5-year period that begins with the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentlewoman from Missouri (Mrs. WAGNER) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

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

Mr. Speaker, earlier this year, the Financial Services Subcommittee on National Security, International Development and Monetary Policy held a hearing on China's lending practices and their impact on the international sovereign debt architecture. The hearing examined China's dominant position as the largest official creditor in the world, with China's outstanding

claims larger than those of all other bilateral creditors combined. We also examined how China lends with respect to the terms and conditions China imposes on borrowing countries through its sovereign debt contracts.

Among the witnesses who testified were authors of a recent study that examined 100 China sovereign debt contracts, which found that since 2014, every sovereign debt contract examined contained strict nondisclosure requirements that prohibited the borrower from disclosing the terms of, and even the existence of, the debt itself.

Many of the contracts examined sought to elevate Chinese Government loans over other creditors by requiring the creation of China-controlled offshore collateral accounts and by explicitly prohibiting the debt from being included in any multilateral debt restructuring initiative.

The study also found a number of contracts with cross-default and accelerated payment provisions that give China substantial leverage over an array of domestic and foreign policy decisions that a borrowing country might undertake.

The absence of transparency not only prevents citizens from holding their governments accountable for their borrowing decisions, but it also obscures a country's true financial picture from other creditors, which can undermine sovereign debt rescheduling operations that are based on systems of trust and equitable burden sharing among all of a country's creditors.

For example, in Zambia, one of three countries that has applied for debt relief under the new G20 Common Framework initiative, new revelations about undisclosed Chinese debt nearly doubled its total official amount owed from \$3.4 billion to \$6.6 billion.

Opacity also creates greater opportunity for political capture and corruption and undermines debt risk management and surveillance work.

It was this context in which I introduced, with Ranking Member PATRICK MCHENRY, H.R. 4111, the Sovereign Debt Contract Capacity Act, which directs the Secretary of the Treasury to instruct the United States executive director at the International Monetary Fund to use the influence of the United States at the IMF to advocate that the Fund provide technical assistance to bolster the capacity of developing country debt managers to evaluate and negotiate both the financial and the legal terms in sovereign debt contracts.

It is important that this kind of capacity building also be available through multilateral channels like the IMF, which have a wider global reach. Multilateral approaches can also be more effective since national programs risk being perceived as an instrument of power politics and beholden to certain interest groups within a country.

To be sure, some countries sign bad contracts for the wrong reasons, including corruption and governance

problems. In a country that is running up oppressive, hidden debt because its leaders are corrupt, training is not going to help a lot. But ensuring that technical assistance is available to any developing country that requests help in assessing the technical, legal complexities of sovereign debt contracts would be an important step in reform of the sovereign debt crisis management system.

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

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

Mr. Speaker, I rise in strong support of H.R. 4111, the Sovereign Debt Contract Capacity Act, an important piece of legislation sponsored by our chairwoman and cosponsored by our committee's lead Republican.

China has now become the world's largest official creditor, but the details of its lending remain notoriously opaque.

At a hearing in May, the Financial Services Committee examined how China has been using strict confidentiality arrangements, cross-default provisions, and other tools to hide the details of its loans and potentially influence borrowers' domestic and foreign policies.

A recent analysis by the research group AidData has also shown that 42 countries now have public debt exposure to China in excess of 10 percent of their GDP, which is largely hidden from conventional reporting to the World Bank.

H.R. 4111 would address this problem by supporting technical assistance from the International Monetary Fund to help developing countries better assess these debt contracts.

This legislation builds on a bipartisan law authored by our colleague, Congressman HILL from Arkansas, that requires the Treasury Department to push for greater Chinese debt transparency at the international financial institutions.

Together, these two bills are a clear statement that our committee wants the Treasury Department to prioritize the threat of China's hidden debt and give countries the necessary technical assistance to push back on Beijing.

H.R. 4111 is especially timely since the IMF is confronting serious difficulties carrying out new programs since China has been so slow negotiating its loans to IMF borrowers.

If the International Monetary Fund can't accurately assess borrowers' liabilities to Beijing, it will have trouble providing its own financing. In other words, China's opaque lending practices are not just a threat to borrowing countries; it puts at risk the operations of the IMF, World Bank, and other multilateral lenders. This is unacceptable.

I commend the chairwoman for sponsoring this legislation and hope that our committee can continue to work in such a bipartisan manner to address

China's exploitation of countries around the world.

Mr. Speaker, I urge my colleagues to support H.R. 4111, and I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I am prepared to close, and I reserve the balance of my time.

Mrs. WAGNER. Mr. Speaker, I thank the chairwoman, again, for her strong legislation. I would urge all my colleagues to support H.R. 4111, the Sovereign Debt Contract Capacity Act, and I yield back the balance of my time.

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

In closing, I want to note that H.R. 4111 also directs the U.S. to advocate for the IMF to develop and promote a shared understanding of standard terms and sound practices with respect to sovereign debt contracts.

Officials for countries that sign oppressive debt contracts are often told that the proposed terms are market standard where either there is no standard or where the standard is quite different from what is being proposed. This would be another positive reform of the sovereign debt architecture.

I would like to thank Ranking Member McHENRY for working with me on this important bill. H.R. 4111 has been endorsed by Oxfam, Bread for the World, ONE, and the AFL-CIO.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 4111.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Ms. WATERS. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Pursuant to section 3(s) of House Resolution 8, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on this motion are postponed.

#### FINANCIAL TRANSPARENCY ACT OF 2021

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2989) to amend securities and banking laws to make the information reported to financial regulatory agencies electronically searchable, to further enable the development of RegTech and Artificial Intelligence applications, to put the United States on a path towards building a comprehensive Standard Business Reporting program to ultimately harmonize and reduce the private sector's regulatory compliance burden, while enhancing transparency and accountability, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2989

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

#### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Financial Transparency Act of 2021”.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

#### TITLE I—DEPARTMENT OF THE TREASURY

Sec. 101. Data standards.

Sec. 102. Open data publication by the Department of the Treasury.

Sec. 103. Rulemaking.

Sec. 104. No new disclosure requirements.

Sec. 105. Report.

#### TITLE II—SECURITIES AND EXCHANGE COMMISSION

Sec. 201. Data standards requirements for the Securities and Exchange Commission.

Sec. 202. Open data publication by the Securities and Exchange Commission.

Sec. 203. Data transparency at the Municipal Securities Rulemaking Board.

Sec. 204. Data transparency at national securities associations.

Sec. 205. Shorter-term burden reduction and disclosure simplification at the Securities and Exchange Commission; sunset.

Sec. 206. No new disclosure requirements.

#### TITLE III—FEDERAL DEPOSIT INSURANCE CORPORATION

Sec. 301. Data standards requirements for the Federal Deposit Insurance Corporation.

Sec. 302. Open data publication by the Federal Deposit Insurance Corporation.

Sec. 303. Rulemaking.

Sec. 304. No new disclosure requirements.

#### TITLE IV—OFFICE OF THE COMPTROLLER OF THE CURRENCY

Sec. 401. Data standards and open data publication requirements for the Office of the Comptroller of the Currency.

Sec. 402. Rulemaking.

Sec. 403. No new disclosure requirements.

#### TITLE V—BUREAU OF CONSUMER FINANCIAL PROTECTION

Sec. 501. Data standards and open data publication requirements for the Bureau of Consumer Financial Protection.

Sec. 502. Rulemaking.

Sec. 503. No new disclosure requirements.

#### TITLE VI—FEDERAL RESERVE SYSTEM

Sec. 601. Data standards requirements for the Board of Governors of the Federal Reserve System.

Sec. 602. Open data publication by the Board of Governors of the Federal Reserve System.

Sec. 603. Rulemaking.

Sec. 604. No new disclosure requirements.

#### TITLE VII—NATIONAL CREDIT UNION ADMINISTRATION

Sec. 701. Data standards.

Sec. 702. Open data publication by the National Credit Union Administration.

Sec. 703. Rulemaking.

Sec. 704. No new disclosure requirements.

#### TITLE VIII—FEDERAL HOUSING FINANCE AGENCY

Sec. 801. Data standards requirements for the Federal Housing Finance Agency.

Sec. 802. Open data publication by the Federal Housing Finance Agency.

Sec. 803. Rulemaking.

Sec. 804. No new disclosure requirements.

#### TITLE IX—MISCELLANEOUS

Sec. 901. Rules of construction.

Sec. 902. Classified and protected information.

Sec. 903. Discretionary surplus fund.

Sec. 904. Determination of budgetary effects.

#### TITLE I—DEPARTMENT OF THE TREASURY

##### SEC. 101. DATA STANDARDS.

(a) IN GENERAL.—Subtitle A of title I of the Financial Stability Act of 2010 (12 U.S.C. 5311 et seq.) is amended by adding at the end the following:

##### “SEC. 124. DATA STANDARDS.

“(a) IN GENERAL.—The Secretary of the Treasury shall, by rule, promulgate data standards, meaning a standard that specifies rules by which data is described and recorded, for the information reported to member agencies by financial entities under the jurisdiction of the member agency and the data collected from member agencies on behalf of the Council.

“(b) STANDARDIZATION.—Member agencies, in consultation with the Secretary of the Treasury, shall implement regulations promulgated by the Secretary of the Treasury under subsection (a) to standardize data reported to member agencies or collected on behalf of the Council, as described under subsection (a).

“(c) DATA STANDARDS.—

“(1) COMMON IDENTIFIERS.—The data standards promulgated under subsection (a) shall include common identifiers for information reported to member agencies or collected on behalf of the Council. The common identifiers shall include a common nonproprietary legal entity identifier that is available under an open license (as defined under section 3502 of title 44, United States Code) for all entities required to report to member agencies.

“(2) DATA STANDARD.—The data standards promulgated under subsection (a) shall, to the extent practicable—

“(A) render data fully searchable and machine-readable (as defined under section 3502 of title 44, United States Code);

“(B) enable high quality data through schemas, with accompanying metadata (as defined under section 3502 of title 44, United States Code) documented in machine-readable taxonomy or ontology models, which clearly define the data's semantic meaning as defined by the underlying regulatory information collection requirements;

“(C) assure that a data element or data asset that exists to satisfy an underlying regulatory information collection requirement be consistently identified as such in associated machine-readable metadata;

“(D) be nonproprietary or made available under an open license;

“(E) incorporate standards developed and maintained by voluntary consensus standards bodies; and

“(F) use, be consistent with, and implement applicable accounting and reporting principles.

“(3) CONSULTATION.—In promulgating data standards under subsection (a), the Secretary of the Treasury shall consult with the member agencies and with other Federal departments and agencies and multi-agency initiatives responsible for Federal data standards.

“(4) INTEROPERABILITY OF DATA.—In promulgating data standards under subsection (a), the Secretary of the Treasury shall seek to promote interoperability of financial regulatory data across members of the Council.