

Under Secretary Yellen, the Treasury Department has taken an unprecedented position that Congress cannot have access to Bank Secrecy Act reports. This should concern all of us on both sides of the aisle.

For the last 20 years, FinCEN has provided BSA reports to the appropriate committees of Congress without delay. FinCEN must understand that this is not a partisan matter.

I look forward to continuing to work with my Democratic colleagues to promote accountability at Treasury and to restore Article I oversight authority.

I support this bill, and I urge my colleagues to support it.

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

Ms. WATERS. Mr. Speaker, I have no further speakers, and I reserve the balance of my time.

Mrs. WAGNER. Mr. Speaker, I yield 1½ minutes to the gentleman from Tennessee (Mr. ROSE), my colleague on the Financial Services Committee.

Mr. ROSE. Mr. Speaker, I thank the gentlewoman for yielding time this evening.

Mr. Speaker, I rise in opposition to H.R. 7734, which would require the Treasury Secretary, upon the request of Congress, to deliver Bank Secrecy Act, or BSA, reports within 30 days to congressional staff.

Additionally, it would create a similar requirement for financial institutions to share BSA filings with Congress.

Currently, SARs, or suspicious activity reports, may be viewed by congressional staff in a reading room at Treasury. Due to the sensitive nature of these reports, congressional staff are prohibited from copying the materials and taking them away from Treasury or FinCEN.

There have been several high-profile leaks of SARs over the past few years. In one instance, a FinCEN employee, who was later sentenced to 6 months in prison, leaked thousands of SARs to BuzzFeed News.

This legislation would increase the number of individuals who have access to hard copies of these reports and will lead to more leaks, I fear, of sensitive information.

Having served on a community bank board, I know how subjective SARs can be, and I fear that this information will put our entire system in jeopardy.

Mr. Speaker, I urge my colleagues to oppose this legislation.

Mrs. WAGNER. Mr. Speaker, I urge my colleagues to support H.R. 7734, and I yield back the balance of my time.

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

Treasury's refusal to give Congress reasonable access to SARs is severely impeding our ability to effectively make use of the materials to conduct investigations.

Treasury has no statutory basis for imposing such restrictions and has offered no rationale for changing the cur-

rent practice, which has been in place for over 20 years.

H.R. 7734 clarifies the existing statutory authority of Congress and ensures that Congress continues to obtain timely access to BSA reports without restrictions.

Mr. Speaker, I urge my colleagues to support this 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. 7734, 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. CLYDE. 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.

#### CDFI BOND GUARANTEE PROGRAM IMPROVEMENT ACT OF 2022

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7733) to amend the Community Development Banking and Financial Institutions Act of 1994 to reauthorize and improve the community development financial institutions bond guarantee program, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 7733

*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 "CDFI Bond Guarantee Program Improvement Act of 2022".*

#### SEC. 2. SENSE OF CONGRESS.

*It is the sense of Congress that the authority to guarantee bonds under section 114A of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4713a) (commonly referred to as the "CDFI Bond Guarantee Program") provides community development financial institutions with a sustainable source of long-term capital and furthers the mission of the Community Development Financial Institutions Fund (established under section 104(a) of such Act (12 U.S.C. 4703(a)) to increase economic opportunity and promote community development investments for underserved populations and distressed communities in the United States.*

#### SEC. 3. GUARANTEES FOR BONDS AND NOTES ISSUED FOR COMMUNITY OR ECONOMIC DEVELOPMENT PURPOSES.

*Section 114A of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4713a) is amended—*

*(1) in subsection (c)(2), by striking "multiplied by an amount equal to the outstanding principal balance of issued notes or bonds";*

*(2) in subsection (e)(2)(B), by striking "\$100,000,000" and inserting "\$25,000,000"; and*

*(3) in subsection (k), by striking "September 30, 2014" and inserting "the date that is 4 years after the date of enactment of the CDFI Bond Guarantee Program Improvement Act of 2022".*

#### SEC. 4. REPORT ON THE CDFI BOND GUARANTEE PROGRAM.

*Not later than 1 year after the date of enactment of this Act, and not later than 3 years*

*after such date of enactment, the Secretary of the Treasury shall issue a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the effectiveness of the CDFI bond guarantee program established under section 114A of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4713a).*

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 within 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, I support H.R. 7733, the CDFI Bond Guarantee Program Improvement Act, led by Representative CLEAVER, who also is the chair of the Subcommittee on Housing, Community Development, and Insurance.

The CDFI Fund's Bond Guarantee Program provides CDFIs with federally guaranteed, long-term, low-cost capital to support existing and new economic development projects in their communities.

Unfortunately, small-sized CDFIs currently have difficulty applying for this financing directly because the current \$100 million minimum financing amount is much higher than the amount many small CDFIs are seeking. As a result, some CDFIs can only access the program by applying with larger CDFIs.

This bill would lower the minimum threshold for a bond issuance from \$100 million to \$25 million, giving smaller CDFIs a fairer shot at being able to access this program. This will help expand financing and investments to support small businesses, healthcare facilities, and affordable housing.

This bill builds upon the work I led last Congress to provide CDFIs with \$12 billion in equity and grant funding. In particular, that legislation, which has already distributed \$1.25 billion to CDFIs, represented the largest public investment in CDFIs ever.

Mr. CLEAVER's bill complements those efforts by helping smaller CDFIs better access private dollars to further their efforts to serve low-income and underserved communities.

While the Bond Guarantee Program's authorization ended in 2014, Congress has extended it on a year-by-year basis in annual appropriations bills. This bill would extend the program for 4 years, creating longer-term certainty. The bill also includes studies to examine areas where the program can be strengthened.

Furthermore, this bill is a House companion to a bipartisan bill in the Senate, S. 3441, introduced by Senators TINA SMITH and MIKE ROUNDS.

I urge my colleagues to support this bill to ensure that more CDFIs have access to long-term financing through the Bond Guarantee Program so they continue to spur economic development in communities across the Nation.

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

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

I thank my colleague from Missouri, Mr. CLEAVER, for offering this bill and for working with Republicans on the Financial Services Committee to make it a better bill.

H.R. 7733, as amended through bipartisan negotiations, would lower the CDFI Fund's Bond Guarantee Program minimum issuance threshold from \$100 million to \$25 million. It would also require the Secretary of the Treasury to review the effectiveness of the CDFI Bond Guarantee Program and report its findings to Congress; and the program would sunset after 4 years allowing Congress adequate time to make adjustments and ensure proper stewardship of taxpayer dollars.

This increased accountability will allow Congress to make certain that the programs that we authorize match the needs of the communities to be served.

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

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Ms. WATERS. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. CLEAVER).

Mr. CLEAVER. Mr. Speaker, I thank Chairwoman WATERS for her longstanding support of CDFIs.

I speak today in support of my bill, the CDFI Bond Guarantee Program Improvement Act of 2022, which would open up a significant source of long-term, low-cost capital to support CDFI projects in low-income urban, rural, and indigenous areas of the country.

Community development financial institutions, CDFIs, deliver critical lending opportunities to low- and moderate-income communities and communities of color. CDFIs are banks, credit unions, and other financial institutions that provide products and services specifically aimed at the needs of low-income and marginalized communities and are certified by the CDFI fund, which is operated by the United States Department of the Treasury.

CDFIs support people and businessowners in underserved communities by providing affordable capital to communities typically excluded from the mainstream financial system. According to Treasury, in 2019, 33 percent of CDFI lending was in high poverty areas, nearly 75 percent of lending was to underserved populations and distressed areas, and 17 percent was to

rural areas. I think that ought to make all the people committed to this concept of everybody participating quite happy.

CDFIs in my district, including Central Bank of Kansas City, LISC of Greater Kansas City, AltCap, and others, are instrumental in the effort to narrow the racial wealth gap and increase financial opportunities in underserved communities. However, we know that the high demand for CDFI services far exceeds available funding.

One tool the Federal Government has to support CDFIs in their mission is by making significant capital for economic development available to CDFIs through the bond guarantee program. Enacted through the Small Business Administration, the CDFI bond guarantee program is administered by Treasury, which guarantees bonds issued by qualified issuers and injects new and substantial capital into our Nation's most distressed communities.

Unlike CDFI fund programs, the bond guarantee program does not offer grants or direct loans but is instead a Federal credit subsidy that is designed to be repaid and function at no cost to the taxpayers.

Since inception, the bond guarantee program has guaranteed over \$1.7 billion in bonds used to finance schools, not-for-profit facilities, small businesses, healthcare facilities, and commercial and residential real estate, among others.

My bill, H.R. 7733, endorsed by the CDFI Coalition, Community Reinvestment Fund, Opportunity Finance Network, and others, would recognize and reauthorize this program.

The bill was a bipartisan effort and unanimously voted out of our committee. Mr. Speaker, I thank Chairwoman WATERS, Ranking Member MCHENRY, and my colleagues for partnership on this legislation, and I urge swift passage today.

Mrs. WAGNER. Mr. Speaker, I urge my colleagues to support H.R. 7733, and I yield back the balance of my time.

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

H.R. 7733 is supported by a number of groups, including the CDFI Coalition, Credit Union National Association, Independent Community Bankers of America, National Association of Federally-Insured Credit Unions, National Community Reinvestment Coalition, and Opportunity Finance Network.

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

The SPEAKER pro tempore (Mr. MRVAN). 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. 7733, 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. CLYDE. 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.

## RISK-BASED CREDIT EXAMINATION ACT

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4586) to amend the Securities Exchange Act of 1934 with respect to risk-based examinations of Nationally Recognized Statistical Rating Organizations, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4586

*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 "Risk-Based Credit Examination Act".*

### SEC. 2. CONDUCT OF RISK-BASED EXAMINATIONS OF NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATIONS.

*Section 15E(p)(3)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-7(p)(3)(B)) is amended in the matter preceding clause (i), by inserting "as appropriate," after "Each examination under subparagraph (A) shall include".*

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 have 5 legislative days in which to revise and extend their remarks on this legislation and include 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, I support H.R. 4586, sponsored by Mrs. WAGNER, to help the Securities and Exchange Commission robustly oversee the credit rating agencies through more prudent annual examinations.

Mrs. WAGNER's proposal ensures that the SEC continues its annual examinations of all credit rating agencies but can now focus their examinations on the aspects of the rating agencies that pose the greatest risk to investors in our capital markets.

Mr. Speaker, 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 support of my legislation, H.R. 4586, the Risk-Based Credit Examination Act. I thank the chairman and ranking member for their support.

Under Dodd-Frank, the SEC's Office of Credit Ratings, OCR, is required to