

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. MCHENRY. Madam 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.

OFAC LICENSURE FOR INVESTIGATORS ACT

Mr. MCHENRY. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 6370) 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, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6370

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 Fi-

ancial 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 North Carolina (Mr. MCHENRY) and the gentlewoman from Ohio (Mrs. BEATTY) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

GENERAL LEAVE

Mr. MCHENRY. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days in which 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 North Carolina?

There was no objection.

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

Madam Speaker, I rise in support of H.R. 6370, the OFAC Licensure for Investigators Act, introduced by my friend, the ranking member of the National Security, Illicit Finance, and International Financial Institutions Subcommittee, Mrs. BEATTY.

The gentlewoman from Ohio has been an adept legislator in committee and great as an ally and fearsome as a foe. It has been good to work with her on solid policy.

I think this is an important matter for us. Illicit finance internationally and domestically is something we want to tackle, and we want to tackle this through solid policy that can be passed in a bipartisan way.

Since Hamas' October 7 terrorist attack on Israel, we have witnessed the ramifications of bad actors using the financial system to further their acts of terrorism.

This bill would enhance the tools in Treasury's arsenal to go after sanctioned individuals and entities while also holding them accountable in their financial activities.

There is already a well-established practice in traditional financial investigations where a law enforcement agency can request that financial institutions keep open criminal accounts in

order to help track the illicit flows of money.

This bill mirrors that practice.

The bill requires the Secretary of the Treasury to develop a pilot program administered by the Office of Foreign Assets Control to allow private sector firms under a temporary and specific license to conduct nominal financial transactions to and through sanctioned entities to further their investigations.

OFAC, the Office of Foreign Assets Control, is a very important tool, one of our most powerful tools of protecting free people around the world and the flow of funds and tracking those flow of funds.

OFAC's licenses are authorized to OFAC to engage in transactions that would otherwise be prohibited. Mrs. BEATTY's bill would allow, for example, blockchain analytics firms to work with OFAC to trace wallets controlled by bad actors. The power of blockchain lies within its immutable ledger that cannot be altered and allows analysis firms to see the movement of value every step along the way.

Mrs. BEATTY's bill is a crucial step in the right direction. The Treasury Department will be required to keep Congress informed of OFAC's activities and findings under the license. With strict oversight and Treasury's ability to continue to follow the money and follow the value, the United States will be better positioned to go after terrorists and other bad actors and entities.

I thank Mrs. BEATTY for her legislation and for her important work on this topic, and I urge my colleagues to support it.

Madam Speaker, I reserve the balance of my time.

HOUSE OF REPRESENTATIVES,

COMMITTEE ON FOREIGN AFFAIRS,

Washington, DC, January 5, 2024.

Hon. PATRICK MCHENRY,
Chairman, Committee on Financial Services,
Washington, DC.

DEAR CHAIRMAN MCHENRY: Thank you for consulting with the Committee on Foreign Affairs on H.R. 6370, the OFAC Licensure for Investigators Act. Based on your commitment to incorporate agreed edits into the suspension text, I agree that Foreign Affairs may be discharged from further consideration of the bill, so that it may proceed expeditiously to the House Floor.

This agreement is made with the understanding that it does not in any way diminish or alter the jurisdiction of the Committee on Foreign Affairs, or prejudice our jurisdictional prerogatives on this measure or similar legislation in the future.

Thank you for agreeing to place our exchange of letters into the Record during Floor consideration. I look forward to continuing to work together as this bill moves through the legislative process.

Sincerely,

MICHAEL MCCAUL,
Chairman.

HOUSE OF REPRESENTATIVES,

COMMITTEE ON FINANCIAL SERVICES,

Washington, DC, January 4, 2024.

Hon. MICHAEL MCCAUL,
Chairman, Committee on Foreign Affairs,
Washington, DC.

DEAR CHAIRMAN MCCAUL: Thank you for agreeing to be discharged from further consideration of H.R. 6370, the OFAC Licensure

for Investigators Act, so that it may proceed expeditiously to the House Floor. I agree that by foregoing consideration of H.R. 6370 at this time, you do not waive any jurisdiction over the subject matter contained in this or similar legislation, and that you will be appropriately consulted and involved on this or similar legislation as it moves forward.

As discussed, I will seek to place a copy of our exchange of letters on this bill in the Congressional Record during floor consideration thereof.

Sincerely,

PATRICK MCHENRY,

Chairman, Committee on Financial Services.

Mrs. BEATTY. Madam Speaker, I yield myself such time as I may consume.

I rise in support of my bill, H.R. 6370, the OFAC Licensure for Investigators Act, which is cosponsored by Mr. NUNN of Iowa. I also thank the chairman and my friend for his support.

The global regime to counter money laundering and terrorist financing is becoming increasingly effective at detecting and deterring the abuse of our financial markets. However, we must stay ahead of the bad actors, who in many cases are moving into darker corners of the financial system and using technologies and methods that are harder to trace.

Private investigative firms, some with unique technologies and analytic methods, should be enlisted to help banks and governments, among others, identify the criminals and the terrorists, their bank accounts, and their typologies.

Today, these private firms are limited in how far they can see into a bad actor's operations. One of those limitations is due to sanctions, which appropriately prevent parties from engaging with sanctioned targets. However, as a result, whether in analytic firms or large bank intelligence units, the good guys have to stop their investigations upon finding evidence that suggest that a wallet or account or address may be associated with a sanctioned individual or entity.

There is a workaround today, but it is far too limited. Treasury's Office of Foreign Assets Control, or OFAC, provides licenses to individual parties and transactions which allow for narrow exceptions to its sanctions program. My bill requires OFAC to design a pilot licensing program that would allow investigators to apply to OFAC for permission to get a step further and engage with sanctioned persons under certain conditions to gain more visibility into opaque networks and practices.

The investigators could only use nominal amounts but would be able to trace where the money goes. Ensuring that there is robust oversight in this process, the bill mandates that recipients of these specific licenses must report to OFAC monthly on their findings.

This program would be similar to when government officials ask financial institutions to keep open suspicious accounts so the government

could then go and watch the transactions, and while they are doing that, they are able to follow the money.

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

Mr. MCHENRY. Madam Speaker, I yield myself such time as I may consume to engage in a colloquy with the gentlewoman from Ohio.

Madam Speaker, I have heard concerns from Members about the definition of "nominal transactions" in the bill. As we saw in OFAC's August 22 designation of Tornado Cash, U.S. persons may have received unsolicited nominal amounts of virtual currency from Tornado Cash. These nominal amounts could be as small as a fraction of a penny. The term "nominal amounts" is a term of art within OFAC, but, understandably, Members are worried that this license could allow for the financing of terror activities.

Prior to today's floor proceedings, OFAC and my staff discussed capping licenses at \$10. A fraction of a penny spread across \$10 could provide an immense amount of data on illicit actors and their funding mechanisms.

I think it is important to reiterate on the record for Members that this bill is not intended to allow a license for greater than \$10. Is that something that the gentlewoman would agree with?

Mrs. BEATTY. Will the gentleman yield?

Mr. MCHENRY. I yield to the gentlewoman from Ohio (Mrs. BEATTY).

Mrs. BEATTY. Madam Speaker, I say to the gentleman that I would. I think that is a very fair question to ask. Let me just assure you that it is also my intent, as the sponsor of this bill, that the term "nominal" in this context should not be interpreted to be more than the \$10 as you referenced, and I certainly understand why that concern came up. As you know, this bill is intended to enhance our efforts to stop terrorist financing. The kind of investigation that this bill is trying to allow for doesn't need more than a few dollars—or nominal, not to exceed \$10—to be effective. We have seen this before, so I am very comfortable assuring you that we would define it as \$10 or less.

I thank the gentleman for clarifying this. I, too, want to put on the record that it would be defined as the \$10 mark, and I certainly thank the gentleman for his support on this legislation.

Mr. MCHENRY. Madam Speaker, I thank the bill's sponsor for this and for her addressing an important matter, which is money laundering internationally and at home is a severe problem. It is a severe problem with regulated financial institutions, and we have longstanding laws and rules and folks that are engaged in Justice and at Treasury that are highly adept at this.

We have new technologies that emerge each day and new approaches

to launder value or money. The movement of digital money is complex. With blockchain technology it makes it much easier because then you basically can follow what is on the blockchain, and it is there for the public to see and for our experts in government to follow very well.

We want to make sure that they are given the full tools to track that illicit finance wherever it may be using the best techniques and technology available to anyone in the world. We want to make sure that we stay on top of this and curb illicit finance the best that we possibly can.

We have the best laws, the best rules, and the best people working to protect our people here and abroad.

Madam Speaker, I thank Mrs. BEATTY for her leadership here on this important issue.

Madam Speaker, I have no further speakers, I am prepared to close, and I reserve the balance of my time.

Mrs. BEATTY. Madam Speaker, I have no further speakers, and I yield myself the balance of my time for the purpose of closing.

My colleague, Mr. NUNN, and I have devised a smart pilot program that would allow for private-sector investigators to engage in small-dollar transactions with sanctioned persons in order to gain valuable information about how networks and activities of those bad actors work.

I am pleased to say that we have agreed on the nominal amount of \$10, and by creating a licensing program for such a person, both business and government will benefit from the information gained, improving visibility into criminal and terrorist financing networks. That is what this bill is all about.

Madam Speaker, for those reasons, I again urge my colleagues to support this bipartisan bill, and I yield back the balance of my time.

Mr. MCHENRY. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, I would just reiterate that Mrs. BEATTY's bill is a crucial step in the right direction, and the Treasury Department will be required to keep Congress informed of OFAC's activities and findings under the license.

Madam 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 gentleman from North Carolina (Mr. MCHENRY) that the House suspend the rules and pass the bill, H.R. 6370, 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. MCHENRY. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

□ 1530

BORDER CRISIS IS KILLING OUR COUNTRY

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

Mr. LAMALFA. Madam Speaker, for the new year, I have done a survey with my constituents and asked what the issues are that they want to be focused on in 2024. The top answer they submitted in my northern California district was the border crisis, a Biden and Democratic Party-created crisis.

Republicans and Democrats agree there is a crisis at our border, and it is President Joe Biden's fault. During his first 100 days in office, he took 94 executive actions on immigration, including halting the construction of the border fence.

Under his administration, there have been 8 million illegal border crossings nationwide and over 6.7 million encounters at our southern border. The Biden administration's continuous open border policies are to blame for this historic crisis.

We need action now. We need it yesterday. We must pass, over in the Senate, H.R. 2, the strongest border security bill in congressional history, immediately. We must complete the wall, change the asylum rules to not be such a joke and prevent millions of illegals from being attracted here by a magnet, streamline deportations, and end parole in the United States.

We cannot continue to allow this to stand any longer. It is killing our country and our economy.

POLICY SOLUTIONS TO THE BORDER CRISIS

The SPEAKER pro tempore (Mr. BEAN of Florida). Under the Speaker's announced policy of January 9, 2023, the gentleman from Utah (Mr. MOORE) is recognized for 60 minutes as the designee of the majority leader.

GENERAL LEAVE

Mr. MOORE of Utah. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the topic of this Special Order.

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

There was no objection.

Mr. MOORE of Utah. Mr. Speaker, before I yield time to my colleague from Utah, I want to quickly highlight and reiterate the importance of what we are doing here as the House GOP.

House Republicans, during the holiday break, took the time, over 60 of us,

to go down to the border to be able to share what is truly going on. We get to hear, hopefully, today a little bit more about this.

At no point in our Nation's history has the situation on the southern border reached the levels of policy failure, humanitarian disaster, and security threat that it has under the Biden administration.

Many of my House Republican colleagues witnessed firsthand the tragedy at our border last week. It is out of control, and the Biden administration has completely dropped the ball on this issue and threatened the safety of every American community in the process. The issue is, it is more simple than this.

To President Biden, the gig is up. You took office and thought: Let's just reverse everything that the Trump administration had been doing. Let's not necessarily evaluate whether it was successful, whether it was the right policy. Let's just kind of use our executive pen to reverse everything.

It is very simple to consider Migrant Protection Protocols, the remain in Mexico policy, catch and release. These are simple policy changes that would have an immediate positive impact.

Many of my colleagues were able to see this, to witness this, again, firsthand this past week, and I look forward to hearing from Representative BURGESS OWENS from the great State of Utah for more on this issue.

Mr. Speaker, I yield to the gentleman from Utah (Mr. OWENS).

Mr. OWENS. Mr. Speaker, I recently joined Speaker JOHNSON and more than 60 colleagues to visit the southern border at Eagle Pass, Texas, one of the busiest Border Patrol entry points. What I witnessed was nothing short of an invasion, an invasion facilitated by the purposeful policies of the Biden administration.

It was my second trip to the border since the spring of 2021, and regrettably, the situation has only gotten worse.

Two years ago, I encountered a heart-wrenching tragedy of an unaccompanied autistic 7-year-old child, a little girl who was trafficked by the Mexican cartel. My guess is the Biden administration is clueless as to the status of this vulnerable young lady. My guess also is that she is now 1 of the over 100,000 unaccompanied children who have been trafficked through the Biden administration's open border and now lost. The 100,000 innocent children lost to our system highlight the heartless administration that does not care about the innocents.

The crisis doesn't end here. Over 100,000 Americans, primarily aged between 19 and 48, have fallen victim to fentanyl, a deadly weapon shipped from China to Mexico, processed, and then smuggled across our borders. More Americans have lost their lives in a single year than the two 20-year wars in Vietnam and Afghanistan combined.

As these Americans are being poisoned across our country—by the

way, this is across party lines. It doesn't matter what our race, creed, or color might be. Take one, and we have lost another child.

As we are losing Americans, over 100,000, at this one port of entry, Eagle Pass, they are making over \$34 million per week through this trafficking of fentanyl.

President Biden did not inherit this crisis at our southern border. He purposely created it by rolling back the successful Trump policies and then refusing to enforce U.S. immigration laws. In his first 100 days, he took 94 executive actions on immigration, resulting in 1.8 million illegal crossings since January 2021.

That is why I joined my House Republican colleagues to pass the Secure the Border Act of 2023 7 months ago, which offers commonsense solutions to the Biden border crisis. This legislation demands the completion of the border wall, an end to catch and release, an increase in Border Patrol agents, a halt to the flow of deadly fentanyl, and protection of our innocent children from human traffickers. It places the safety of the American people first, a sentiment shared by citizens throughout our country who are tired of Washington's inaction. However, the Senate Democrats refuse to bring it to the floor for a vote.

Mr. Speaker, I urge the Senate to immediately pass H.R. 2, send it to the President's desk, and stand up for the safety, security, and sacred laws of our great Nation.

Mr. MOORE of Utah. Mr. Speaker, I thank Representative OWENS for his firsthand look.

I spent time at the border—I believe it was in the late spring—and the same situation continues on. The solutions are right in front of us, and we just need the Biden administration to recognize that.

Mr. Speaker, I yield to the gentleman from California (Mr. LAMALFA).

Mr. LAMALFA. Mr. Speaker, I appreciate the time to be able to weigh in on these issues in a little more relaxed manner here and spend some time.

I want to talk a little bit about legislation we are working on here known as S.J. Res. 38. In this case, it would ensure our taxpayer dollars are used to buy American-made products, something that has had bipartisan support, nonpartisan support, in the past around here.

Certainly, when we are talking about having something domestically produced or buying it from a foreign competitor or ally, one thing we shouldn't be doing is buying more and more things from China.

What is the sense of exporting so many of our dollars over to somebody who is such an adversary in so many things on the world front, with the funding of countries that are helping to sponsor terrorism and the unrest they are helping fund in the Middle East? There are constant threats to Taiwan and the other islands in the South