

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

Mr. HILL OF Arkansas. 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.

PROTECT SMALL BUSINESSES FROM EXCESSIVE PAPERWORK ACT OF 2025

Mr. HILL of Arkansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 736) to amend title 31, United States Code, to modify the deadline for filing beneficial ownership information reports for reporting companies formed or registered before January 1, 2024.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 736

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 “Protect Small Businesses from Excessive Paperwork Act of 2025”.

SEC. 2. MODIFICATION TO FILING DEADLINE FOR CERTAIN PRE-EXISTING REPORTING COMPANIES.

Section 5336(b)(1)(B) of title 31, United States Code, is amended by striking “before the effective date of the regulations prescribed under this subsection shall, in a timely manner, and not later than 2 years after the effective date of the regulations prescribed under this subsection,” and inserting “before January 1, 2024, shall, not later than January 1, 2026,”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. HILL) and the gentleman from California (Mr. VARGAS) each will control 20 minutes.

The Chair recognizes the gentleman from Arkansas.

GENERAL LEAVE

Mr. HILL of Arkansas. 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 this bill.

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

There was no objection.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 736, the Protect Small Businesses from Excessive Paperwork Act. I thank Representative NUNN of Iowa for his work on this important legislation.

In 2021, Congress passed the Corporate Transparency Act, known as the CTA. The goal of the CTA was to strengthen national security tools to target bad actors and nation-states attempting to launder money through illicit activities. To accomplish this, the CTA established the beneficial ownership information reporting regime

through Treasury’s Financial Crimes Enforcement Network, known across the country as FinCEN.

With an effective date of January 1, 2024, the CTA regulations required roughly 32,600,000 small businesses in the United States to report their beneficial ownership information to FinCEN by the following year. To the best of my knowledge, Mr. Speaker, only some 9 million, or one-third, of those required small businesses have filed.

Recent Federal court actions on this confusing and complex rule have just added to the confusion that many of our Members are hearing about from their constituents in their districts.

Although this law was enacted with good intentions, Treasury’s promulgation and implementation of the new reporting regime has been overly complex and particularly burdensome. Over the last year, Members have heard consistently from their constituents that confusion reigns when it comes to beneficial ownership reporting requirements.

We have all heard not only from small businesses that are in the real estate business or some small operating businesses that have a limited liability company or a limited partnership, but we have heard from their CPAs, their certified public accountants, and their legal advisers about all the confusion and concern around these reporting requirements.

It does not help that many small businesses have no idea what FinCEN is, making them wary of submitting such sensitive data to a government agency with which they are not familiar. It is personally identifiable information, the most sensitive information we have: our name, our taxpayer ID number, and ownership of our companies.

That is why Congressman NUNN’s bill provides a 1-year extension of the reporting deadline, which will allow FinCEN to address gaps in its nationwide education campaign and tailor its outreach to small business owners.

This extension ensures that all small business owners that qualify and are required, as beneficial owners, to report have adequate time to try to complete their reporting requirements, while here in Congress we continue to fight back against this particular rule and its structure. Otherwise, Mr. Speaker, these small business owners face aggressive penalties if they fail to report, even if it is unintentional.

Small businesses in this country are the backbone of our economy. I hear that said many times every week on this House floor. If that is true, we ought to be working together to get relief for them from this onerous rule. I commend Mr. NUNN for offering relief with this particular legislation.

I want to highlight the work of my Republican colleagues for their cosponsorship of this critical legislation and thank my friends on the other side of the aisle, the gentlewoman from Kan-

sas (Ms. DAVIDS) and the gentleman from North Carolina (Mr. DAVIS), for signing on to H.R. 736. I hope they will help us get this legislation over the finish line to benefit America’s small businesses, even if it is in a moment of reprieve from the avalanche of rules.

Mr. Speaker, I urge all of my colleagues to join me in supporting Mr. NUNN’s bill, H.R. 736, and I reserve the balance of my time.

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

Mr. Speaker, despite the ill-named bill, I rise in support of H.R. 736, the Protect Small Businesses from Excessive Paperwork Act, sponsored by Representative NUNN.

This bill extends the deadline for existing reporting companies under the Corporate Transparency Act, an essential piece of national security legislation designed to help law enforcement, financial institutions, and others root out the anonymous shell companies that are so often abused by domestic and foreign oligarchs, drug dealers, and terrorists to launder and hide their illicit funds.

Extending the reporting deadline gives businesses extra time to comply with the law and additional time for the U.S. Treasury to do the vital outreach needed to raise awareness among applicable businessowners.

I appreciate that Representative NUNN and Chairman HILL have chosen to offer this bill on the floor today, especially given the broad support for issuing this extension within our committee, but I have to say, given where things stand with the Trump administration, these concerns fall a little flat.

Since the inauguration, President Trump has disbanded Task Force KleptoCapture, which was designed to identify and pursue illicit Russian funds. He has declared that he will no longer prosecute most foreign corruption cases. President Trump has fired hundreds of bank examiners, who are responsible for ensuring that financial institutions are keeping up with their obligations to detect and report possible instances of financial crime. He shuttered the Consumer Financial Protection Bureau, which has returned \$21 billion to defrauded Americans. Further, he and his GOP have fired criminal investigators at the Federal Bureau of Investigation and the Internal Revenue Service and prosecutors at the Department of Justice. He himself has offered cryptocurrency products that can be purchased without any verifiable identification, undercutting the very financial crime-fighting agencies that the CTA intends to bolster.

Yes, I urge Members to vote for this bill, though it has little meaning if my GOP colleagues remain silent as President Trump dismantles the national security and law enforcement capacity of the U.S. Government.

Also, it is ironic that I hear my good friend from Arkansas talk about the most sensitive, vital information that

we have, our personally identifiable information, and at this moment, we don't even know who has access to it.

That is one of the things that angers most Americans. They don't know what Elon Musk is doing with this information or which young kid is running through these organizations getting that information and for what purpose they are using it.

Rome is burning, and my colleagues across the aisle need to stop fiddling and pick up the fire extinguisher.

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

Mr. HILL of Arkansas. Mr. Speaker, I yield 4 minutes to the gentleman from Iowa (Mr. NUNN), the lead sponsor who has crafted this constructive bill.

Mr. NUNN of Iowa. Mr. Speaker, I thank my colleagues from both Arkansas and California for their support of my bill, the Protect Small Businesses from Excessive Paperwork Act.

Mr. Speaker, in just the opening weeks of Congress, we have already led on bipartisan solutions to help our small businesses be successful and get a reprieve from the vast overreach that currently emanates from Washington, D.C.

Small businesses, as we have noted, are the backbone of America. In my home State, they make up nearly 80 percent of our State's growth alone.

Sadly, there are bureaucrats here in Washington who are focused on fines, fees, and prison time for nearly 32 million small businesses that only woke up to new regulations just showing up on the scene. Unfortunately, nearly 23 million of those small businesses have never even heard or received information about the new requirements that they must meet. In fact, some even mistook them for scams coming out of a Federal agency they have never even heard of.

Small businesses should not bear the risk of fines of up to \$600 per day for every violation and up to nearly 24 months in prison for failure to report on a law they weren't even familiar with.

In the first year alone, it will cost a small business around \$8,000 in compliance fees. That blows my mind. In fact, it compelled me to invite the Director under the Biden administration of FinCEN, Director Gacki, to come to Iowa. Yes, we were Iowa nice to her, but we were Iowa firm. She heard from Sonrisers Popcorn and Berg Electric, which told her how much these new requirements would directly impact their Main Street businesses.

To make matters worse, she informed them with a straight face that over 7 million businesses had already complied. This was with only weeks before final implementation went into effect. To be clear, this meant that around 80 percent of the small businesses remained completely unaware of the new rules and regulations and risked those fines I mentioned.

With 99 percent of Iowa's businesses being small businesses, those fines

would add up and shutter Main Streets across my community and this country. Nationally, it would total around \$160 billion in compliance costs levied upon Main Street businesses, small family farms, and communities across our country.

I think we can all agree that regulators should be focused on protecting small businesses, not fining them out of existence.

Keeping a small business open requires that a mom-and-pop shop put in a lot of hard work and long hours. It means that new entrepreneurs can be innovative and spend money to grow our economy, not trying to meet some arbitrary government regulation. Our government should not stifle entrepreneurs with a heavy hand when they are only doing their best to serve our communities.

□ 1700

That is why I am committed to fighting for Main Street. I am committed to fighting for our family farms. I am committed to fighting for our hometowns.

This bill would help protect small businesses from excessive paperwork. This is a simple solution that we worked on together, and it is one of the most pressing concerns that small businesses face.

Whether you are a Democrat or a Republican, we all have small businesses and a hometown responsibility to fight for them today.

I am grateful for everyone who helped to lead and sponsor this bill, including the National Small Business Association, the U.S. Chamber of Commerce, and our National Cattlemen's Association. Even cowboys want less regulation.

I also thank our cosponsors on this bill, including our co-leads, House Majority Whip TOM EMMER, and my friends across the aisle, Representative SHARICE DAVIDS and Representative DON DAVIS.

As a result, we have the opportunity to once again make sure that not only America is great but that our hometowns have the opportunity to prosper and hold Washington accountable.

Mr. VARGAS. Mr. Speaker, I have no further speakers. I am prepared to close if the gentleman from Arkansas has no further speakers, and I reserve the balance of my time.

Mr. HILL of Arkansas. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. MEUSER).

Mr. MEUSER. Mr. Speaker, I once again thank Chairman HILL for his leadership. I do, as well, rise today in strong support of the Protect Small Businesses from Excessive Paperwork Act of 2025, H.R. 736, introduced by my colleague, Congressman NUNN.

Small businesses create jobs, drive innovation, support local communities, and really make the difference in communities. Unfortunately, the previous administration imposed many duplicative and costly regulations on small

businesses simply to make it harder for them to survive. One of the latest and most egregious examples is the FinCEN beneficial ownership information reporting rule, which we are all very aware of at this point. This rule literally forces millions of small businesses that have less than 20 employees and under \$5 million in revenue to file redundant, intrusive, and unnecessary reports to the Federal Government under the threat of very steep penalties of up to \$10,000.

H.R. 736 rightfully delays the beneficial ownership reporting rule 1 year, to 2026, giving the Trump administration and the courts time to assess the proper path forward for small businesses. Actually, this reporting information can provide some usefulness as opposed to just a great burden.

Republicans received a mandate to cut the red tape and push back against unnecessary, punitive regulations—and we are going to do it—that do more harm than good.

Mr. Speaker, again, I thank Chairman HILL and Representative NUNN for prioritizing this much-needed relief for small businesses. Small businesses need our support, not our red tape and bureaucratic demands for unnecessary, nonsensical information.

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

Mr. HILL of Arkansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think it is important that you note the comment made by Mr. MEUSER on the subject of 20 employees or \$5 million. The definition of this bill says that a small business that has to report, these 32-plus million businesses that we are talking about, the definition is that they have fewer than 20 employees and fewer than \$5 million.

My friend from California rightfully said that the concern of the Federal Government is about illicit finance through the use of shell companies incorporated in one of our States. Let that sink in for everybody listening to this debate: \$5 million in revenues, 20 employees.

Mr. Speaker, for decades, before I came to Congress a few years ago, I helped start businesses and helped finance businesses, all of which would dream to have \$5 million in annual revenues and 20 employees.

Think about your best friend who has an HVAC contracting company to help people with their air-conditioning and heating. He works there. His son works for him. They have a couple of million dollars in revenue. It is his whole livelihood. He loves it. He is the best at what he does, but in this world, in this House, he is accused of being a shell company and is being burdened by this rule.

Once again, so many times the government goes after the bad guy and sweeps up everybody. That is why Mr. NUNN has come to this floor to say that we need another year to think about

this. I would certainly urge the incoming administration to rethink the whole process because Mr. VARGAS is right: It is an important thing to do, to try to capture illicit finance, but it is another thing in the world to sweep up every American trying to live the American Dream with their own small business.

We want people who want \$5 million in revenue and have 20 employees. What a joy.

We are united on this today, Mr. Speaker, and I think that is good for the American people to see, too, that we care about what is happening. Occasionally, we get it wrong in government, and we work hard to try to rectify it. That is what ZACH NUNN of Iowa is fighting for small businesses to do.

Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. HARIDOPOLOS), the committee whip.

Mr. HARIDOPOLOS. Mr. Speaker, I thank the chairman for bringing this to the floor and my colleagues across the aisle for working together on this important bill. It is great that common sense is making a comeback in America.

I applaud the sponsor of the bill, Mr. NUNN of Iowa. He has done a remarkable job of bringing this to the forefront as people recognize the impact that burdensome paperwork can have on our American economy.

In recent years, the previous administration imposed complex and costly beneficial ownership requirements, backed by the threat of civil and criminal penalties. Compliance could cost up to \$8,000 per year, and little was done by the Treasury Department to communicate those requirements to businessowners.

As a result, with little clarity and even less time to comply, over 30 million small businesses are now facing the risk of thousands of dollars in fines and potentially years behind bars if egregious.

Why are we making criminal suspects out of businessowners? American businesses already file a considerable amount of paperwork to ensure that money launderers and bad actors are unable to operate through shell corporations, as the chairman highlighted.

Why are millions of American small businesses now forced to file these regulations when they have already been burdened by so much extra paperwork?

This extension will also give our new Secretary of the Treasury, Mr. Bessent, the time to apply common sense in helping small businesses meet these reporting requirements.

This bill is a strong start to reduce the immense regulatory burden that America's small businesses face each day, and it protects businessowners from unjust criminal liability.

Let's pass this bill and get back to common sense.

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

Mr. Speaker, the Corporate Transparency Act has been called the most

important improvement to the U.S. anti-money laundering framework in a generation. To both effectively enact the law and to assist companies whose reporting is essential to fight against oligarchs and criminal cartels, we need the extension provided by this bill.

As my good friend from Arkansas said, we, too, see and hear small businesses and businessowners. In fact, California has the largest number of small businesses in the United States. We don't want them to get swept up in the Corporate Transparency Act, but at the same time, we also need the ability to identify, investigate, and prosecute the bad actors.

Mr. Speaker, I urge all of my colleagues to stand up and speak out against what we are seeing today, unfortunately, which is President Trump's vengeful and self-interested destruction of our American national security, and to demand that we get information on how Elon Musk and his young marauders are using Americans' personal information.

We want to know: What are they doing with all of this information that they are gathering about all of these Americans? What is he doing with it? We have no idea, and no one is asking questions on the other side.

Again, it is important that my colleagues listen to their constituents right now, on both sides of the aisle. I know in my district, Republicans and Democrats want to know: What is going on with all of this information that Elon Musk is drawing out of the Federal Government? What is he doing with it? We have no idea. There is no investigation of this. We demand answers, and we think our friends on the other side should demand answers to this also.

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

THE SPEAKER pro tempore. Members are reminded to refrain from engaging in personalities toward the President.

Mr. HILL of Arkansas. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we have had a good, robust debate on the importance of the right tools for the Treasury, for our States, and for our law enforcement to root out illicit finance.

Today, the Corporate Transparency Act, I think, has been exposed for what it is, which is a tremendous overreach in that effort that has added complexity, financial burden, and confusion for our small businesses.

There is a better way to go about this, and I hope we can work together on both sides of the aisle and with the Treasury Department in the coming months to find that better solution, that least-costly solution, that solution that protects people's privacy, that protects personally identifiable information contained in these filings, and that does it in a way that is less intrusive and less costly.

The concern I have about these big databases, Mr. Speaker, is intrusion

from China, Iran, Russia, and North Korea, our adversaries that every day are trying to break into the systems of the Federal Government and our private sector of this country to gather this personally identifiable information.

We have talked about it on this House floor, Mr. Speaker: IRS, hacked; Office of Personnel Management, hacked; the CFPB, the Consumer Financial Protection Bureau databases, hacked; others, hacked; private sector, hacked. This is just another giant database that puts people's data at risk.

Not only do I think there is a better way to do it, a less costly way to do it, and a more effective way to do it, but also a way to do it that protects people's privacy.

I thank Mr. NUNN for working on both sides of the aisle to craft a way. Let's take a new look, and let's do that by approving this bill overwhelmingly, encouraging the Senate to do the same so that we protect these small businesses in the interim, over the next year, from this horrendous cost and confusion by rising in strong support today on both sides of the aisle and passing H.R. 736.

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

THE SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas (Mr. HILL) that the House suspend the rules and pass the bill, H.R. 736.

The question was taken.

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

Mr. HILL of Arkansas. 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.

CREDIT UNION BOARD MODERNIZATION ACT

Mr. HILL of Arkansas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 975) to amend the Federal Credit Union Act to modify the frequency of board of directors meetings, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 975

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 "Credit Union Board Modernization Act".

SEC. 2. FREQUENCY OF BOARD OF DIRECTORS MEETINGS.

Section 113 of the Federal Credit Union Act (12 U.S.C. 1761b) is amended—

(1) by striking "monthly" each place such term appears;

(2) in the matter preceding paragraph (1), by striking "The board of directors" and inserting the following:

"(a) IN GENERAL.—The board of directors";