Mr. GARRETT. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. EMMER).

Mr. EMMER of Minnesota. Mr. Speaker, small businesses are critical to job creation and sustainable economic growth in America.

In my home State of Minnesota, 1.2 million workers—nearly half of our State's private workforce—is employed by a small business. When one of the more than 500,000 small businesses in Minnesota contacts our office, it is most often about how well-intended, yet short-sighted, regulations are inhibiting their ability to utilize the financial products they rely on.

In order to ensure the creation and growth of small business, it is imperative that we do our job in Washington to make certain they have access to the capital they need.

Since 1980, the Securities and Exchange Commission has been required to conduct a government-business forum each year to present and discuss ways to improve small business capital formation. However, the SEC is under no legal obligation, as we have heard several times today, to respond to any of the findings or recommendations that come out of these forums.

That is why the Small Business Capital Formation Enhancement Act is so important. The proposed legislation will require the SEC to respond to the findings and recommendations made at these annual government-business forums. This will ensure that the ideas formulated at these government-business forums will be carefully considered at the SEC and possibly even implemented.

I want to thank Representatives BRUCE POLIQUIN and JUAN VARGAS for their hard work on behalf of consumers and small business.

I urge my colleagues to support the Small Business Capital Formation Enhancement Act.

Mr. GARRETT. 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 New Jersey (Mr. GARRETT) that the House suspend the rules and pass the bill, H.R. 4168.

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. POLIQUIN. 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.

TREATMENT OF CERTAIN MUNICIPAL OBLIGATIONS

Mr. GARRETT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2209) to require the appropriate Federal banking agencies to treat certain municipal obligations as level 2A liquid assets, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2209

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

SECTION 1. TREATMENT OF CERTAIN MUNICIPAL OBLIGATIONS.

(a) IN GENERAL.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended—

(1) by moving subsection (z) so that it appears after subsection (y); and

(2) by adding at the end the following:

''(aa) TREATMENT OF CERTAIN MUNICIPAL OBLIGATIONS.—

''(1) IN GENERAL.—For purposes of the final rule titled 'Liquidity Coverage Ratio: Liquidity Risk Measurement Standards; Final Rule' (79 Fed. Reg. 61439; published October 10, 2014) (the 'Final Rule') and any other regulation which incorporates a definition of the term 'high-quality liquid asset', the appropriate Federal banking agencies shall treat a municipal obligation that is both liquid and readily marketable (as defined in the Final Rule) and investment grade as of the calculation date as a high-quality liquid asset that is a level 2A liquid asset.

''(2) DEFINITIONS.—For purposes of this subsection:

''(A) INVESTMENT GRADE.—With respect to an obligation, the term 'investment grade' has the meaning given that term under part 1 of title 12, Code of Federal Regulations.

''(B) MUNICIPAL OBLIGATION.—The term 'municipal obligation' means an obligation of a State or any political subdivision thereof, or any agency or instrumentality of a State or any political subdivision thereof.''.

(b) AMENDMENT TO LIQUIDITY COVERAGE RATIO REGULATIONS.—Not later than the end of the 3-month period beginning on the date of the enactment of this Act, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Comptroller of the Currency shall amend the final rule titled ''Liquidity Coverage Ratio: Liquidity Risk Measurement Standards; Final Rule'' (79 Fed. Reg. 61439; published October 10, 2014) to implement the amendments made by this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. GARRETT) and the gentleman from Delaware (Mr. CARNEY) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey.

GENERAL LEAVE

Mr. GARRETT. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and include any extraneous material on this bill.

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

There was no objection.

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

I rise in support of H.R. 2209. I will begin by thanking the gentleman from Indiana (Mr. MESSER) for all of his hard work on this legislation and his leadership as well, with pulling it through and getting it done right here at the beginning of this legislative year, and being a leader on this bill as well.

On the other side of the aisle, I thank the gentlewoman from New York (Mrs. CAROLYN B. MALONEY) for working together with Mr. MESSER in a very bipartisan manner, which, as we have noted, has been on each and every one of the bills that we have presented today in that manner.

Their efforts culminated in the committee, favorably reporting this bill by a vote of 56 to 1. So, as I have said to Mr. POLIQUIN before, you have only one Member to go to get unanimous consent going forward.

Mr. Speaker, given the problems posed by insufficient liquidity during the past financial crisis, Federal regulators issued a final rule back in 2014 to implement something called liquidity coverage ratio, or LCR. That was being done consistent with something called the Basel Committee on Banking Supervision's standards.

The LCR was established on the premise that banks should have enough cash or assets that would be liquid enough when they needed them—and that would be defined as high-quality liquid assets, or HQLAs—and that we would have to have them on hand for 30 days if their usual sources of short-term funding would simply disappear.

It goes without saying, when you think about this, that anytime that the government steps in, or anytime you have a government agency favoring this type of asset over this type of asset through some sort of regulation in which they did it, you are going to end up with what? You are going to end up with basically unintended and undesirable consequences. That is what has happened here.

Not surprisingly, critics of the LCR have complained that the stock of HQLAs is defined way too narrowly, which could adversely impact the asset classes that we are talking about.

So investment-grade municipal securities, on the other hand, if you look at them closely—more than we could do right here on the floor right now—they basically share the same liquidity characteristics of other HQLAs. And that is what Mr. MESSER basically is trying to address with this great piece of legislation.

Other HQLAs, such as corporate bonds and equity securities, have the basic same characteristic here as far as liquidity goes. Yet, the prudential regulators, what do they do? They put them in one pile and excluded them from the final LCR.

While the Federal Reserve has acknowledged this problem and they acknowledge the fault in excluding municipal securities from this definition of HQLAs, the Federal Reserve's rule would only apply to the bank holding company's municipal securities and not the national banks, where more of these municipal securities are held.

Paul Kupiec, who is over at the American Enterprise Institute, in testimony before our committee back in October of last year on the bill, said it ''is appropriate and consistent with the public interest. There is no reason why high quality liquid bonds issued by the U.S. States and municipalities should receive a lower standing than foreign sovereign debt with equivalent (or even lesser) credit quality and market liquidity.''

□ 1600

Think about that for a minute. We are basically, under the current situation, treating our municipalities and U.S. securities at a lower standard than foreign such securities, and we know how they have prevailed in the last year or so.

With that in mind, I ask my colleagues to join me in supporting H.R. 2209, and the hard work of Mr. MESSER, as well, in this legislation.

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

Mr. CARNEY. Mr. Speaker, I yield 4 minutes to the gentlewoman from New York (Mrs. CAROLYN B. MALONEY).

Mrs. CAROLYN B. MALONEY of New York. I thank the gentleman for yielding and for his leadership.

Mr. Speaker, I rise in strong support today for H.R. 2209. In sum, this bill levels the playing field for cities and States, saves cities and States hundreds of millions of dollars, and does it in a way that maintains the safety and soundness of our banking system.

I would first like to thank the gentleman from Indiana (Mr. MESSER), my friend, for his leadership on this issue. It has been a pleasure to work with him.

When we introduced this bill, we worked hard to have balanced, bipartisan support and to have broad support on both sides of the aisle. We introduced it with a coalition of five Republicans and five Democrats. On the Democratic side, we were joined by Mr. CAPUANO, Mr. CLEAVER, Ms. MOORE, and Ms. SEWELL of Alabama. From the Republican side, we had Mr. KING of New York, Mr. NEUGEBAUER, Mr. STIVERS, and Mr. HULTGREN.

This was truly a very strong, bipartisan bill. I would like to thank all of our colleagues who joined with us. It passed out of the Committee on Financial Services by a strong vote of 56–1, which shows that we had overwhelming bipartisan support.

The purpose of this bill is to level the playing field for cities and States by requiring the banking regulators to treat certain municipal bonds as liquid assets, just like corporate bonds, stocks, and other assets.

As a former member of the City Council of New York, I know firsthand the importance of municipal bonds. They allow our States and cities to finance infrastructure, build schools, and pave roads. We have multimillions in municipal bonds in New York that is building the Second Avenue subway, revamping our water system, and helping in so many ways.

Unfortunately, in the banking regulators' liquidity rule, which requires banks to hold a minimum amount of liquid assets, they chose to allow corporate bonds to qualify as liquid assets but completely excluded municipal bonds, even municipal bonds that are just as liquid as corporate bonds. Even worse, they treat foreign securities differently than U.S. securities, municipal bonds.

This absolutely makes no sense. It effectively discriminates against municipal bonds. A municipal bond that is just as liquid as the most liquid corporate bond would not be counted as a liquid asset under the rule just because it was issued by a city or State rather than a corporate entity. This is not fair.

The Fed has already recognized this error. It is already amending its rule to allow certain municipal bonds to count as liquid assets. They should be praised for taking a second look at the data and recognizing that some municipal bonds are, in fact, highly liquid. But the OCC, which regulates national banks, is still refusing to amend its rule and insists on favoring corporations over cities and States. Mr. MESSER and I introduced this bill because this kind of arbitrary discrimination against cities and States cannot be allowed to continue.

A recent analysis by the investment bank Piper Jaffray estimated that our bill would lower borrowing costs for cities and States by 15 basis points, which would save cities and States hundreds of millions of dollars per year. That real-world impact is why this bill is so very, very important.

Now, it is important to note that this bill does not undermine safety and soundness. It does not require regulators to treat bonds that are illiquid as liquid. It simply says that municipal bonds should be afforded the same opportunity as corporate bonds.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. CARNEY. Mr Speaker, I yield such additional time as she may consume to the gentlewoman from New York.

Mrs. CAROLYN B. MALONEY of New York. Mr. Speaker, this is an important bill. It will help the economy. It will help our cities and States. It levels the playing field for cities and States. It saves our cities and States, literally, hundreds of millions of dollars, and it maintains the safety and soundness of our banking system. That is why it had such a strong, overwhelming bipartisan vote in committee.

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

Mr. GARRETT. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. MESSER), the sponsor of this piece of legislation.

Mr. MESSER. Mr. Speaker, I thank the chairman, Mr. CARNEY, and Mrs. CAROLYN B. MALONEY of New York for their leadership on this bill.

What would you think if I told you that the Federal Government bureaucracy is favoring foreign bonds and corporate bonds over identically valued U.S. municipal bonds? It wouldn't make any sense.

Our Federal bureaucracy shouldn't create rules that favor loans to foreign countries over loans to our own local governments and schools, yet that is exactly what is happening under our broken Federal regulatory scheme.

Today's bill, H.R. 2209, would correct this problem. I am proud to have coauthored this bipartisan bill with Congresswoman MALONEY. I also want to thank my good friends—Mr. POLIQUIN, Mr. PEARCE, the chairman, and others—who helped us in working on this bill. I ask my colleagues for their support.

It is really just common sense. U.S. municipal bonds are among the safest investments in the entire world. According to Municipal Market Analytics, over the last 5 years—a period, by the way, during which State and local governments struggled to recover from the recession—high-quality State and local government obligation defaults were only four one thousandths of 1 percent. Let me repeat that. The municipal bond default rate was four one thousandths of 1 percent during the recession. That is a pretty safe investment.

Public entities depend on this financing, too. State and local governments, school corporations, and public utility companies across the U.S. sell municipal bonds to finance the infrastructure and services that we all depend on. It is low-interest municipal bonds that finance new schools, hospitals, bridges, and roads, and pay for the repair of outdated and failing infrastructure. The needs are great.

In fact, according to the Society of Civil Engineers, State and local governments need $3.6 trillion to meet their infrastructure needs over the next 5 years. That is what is so disappointing about recent regulatory rules from the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Federal Reserve that will arbitrarily increase the costs for local governments and schools to borrow.

Specifically, as others have described, in 2014, Federal banking regulators issued a rule requiring banks to have enough high-quality liquid assets, HQLAs, to cover their cash outflows for 30 days in case of a future financial meltdown. For the most part, liquidity set-asides protect the consumer, and they make sense.

The problem is, in the same rule, they said that investment-grade U.S. municipal bonds don't count as HQLAs, while recognizing German subsovereign municipal debt and many corporate bonds as high-quality liquid assets that do qualify. That doesn't make any sense at all.

By excluding all American municipal securities from HQLA eligibility, financial institutions are discouraged from holding them. The result is increased interest rates and increased borrowing costs for State and local governments and the taxpayers that pay them.

This has a real impact on families when schools can no longer accommodate enrollment and local communities when bridges crumble or roads fail because repair and new construction simply isn't financially feasible. This is particularly troubling because times are tough and budgets are tight across America.

Although the Federal Reserve continues to review this issue, so far the Fed's response has been partial and inadequate. The OCC and the FDIC have not addressed the issue at all. Meanwhile, our local governments remain strapped for cash and cannot wait for a bureaucratic solution.

Our commonsense bill, H.R. 2209, fixes this arbitrary decision by Federal regulators. The bill directs the FDIC, the Federal Reserve System, and the OCC to classify investment-grade municipal securities as level 2A, high-quality liquid assets.

Put simply, our bill requires the Federal Government to recognize the obvious: America's municipal bonds are some of the safest investments in the world, and we shouldn't have rules that give preferential treatment to corporate bonds or other countries' bonds over our own.

I want to thank Congresswoman MALONEY for working with me on this commonsense legislation.

I urge all my colleagues to support this bipartisan bill.

For those who work in the bond world, this bill ensures that a 2A asset is treated as a 2A asset and prevents federal regulators from arbitrarily under-valuing them.

Lastly, let me be clear, this bill doesn't give special treatment to our local governments bonds.

State and local governments remain required to satisfy their debts and live with their bond ratings.

This bill is, however, a comprehensive solution that restores fairness and recognizes investment grade municipal bonds for exactly what they are: safe, reliable investments that allow local governments to serve citizens and their families.

Once again, I want to thank Congresswoman MALONEY for working with me on this common sense legislation.

I urge all of my colleagues to support this bipartisan bill.

Mr. CARNEY. Mr. Speaker, I have no further requests for time. I would just close by thanking the gentleman from Indiana (Mr. MESSER) and the gentlewoman from New York (Mrs. CAROLYN B. MALONEY) for their work on this commonsense piece of legislation that will help towns, municipalities, and States across our country.

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

Mr. GARRETT. Mr. Speaker, I have two additional speakers.

I yield such time as he may consume to the gentleman from Maine (Mr. POLIQUIN).

Mr. POLIQUIN. Mr. Speaker, again, I want to salute the gentleman from Indiana (Mr. MESSER) and the gentlewoman from New York (Mrs. CAROLYN B. MALONEY) for the great work that they have done on this bill. It is very important.

Mr. Speaker, I represent Maine's Second District, which is the west, central, northern, and down east parts of our great State. Now, when you drive in the State of Maine over some of our roads this winter, you see frost heaves and potholes and everything else. If you go on some of our bridges by the coast, you see there has been a lot of corrosiveness that has taken place on those bridges because they are so close to the salt water.

Now, it is so important to make sure that our State and our local governments have the opportunity to borrow the money they need to perform these very important infrastructure repairs.

When I was State Treasurer up in Maine, we used this process to sell high-quality, liquid municipal bonds to investors around the world. That would allow us to receive and secure the funding we need to, in fact, repair our roads and bridges. Maybe a small town needs to improve its sewage treatment facility or build a new landfill or improve its water treatment facility. Well, these high-quality, liquid municipal bonds provide the funds to do just that.

It is my opinion that banking regulators have made a mistake, Mr. Speaker, because they include in the liquidity coverage ratio stocks and corporate bonds and other government bonds, but they have left out high-quality liquid, tax-free municipal bonds from that list of securities that will qualify for the liquidity coverage ratio.

As has been mentioned here earlier before, sir, the municipal bond market in this country is a $3.7 trillion market. There are thousands of these bonds held in the hands of investors around the world. It is clearly right and appropriate for these bonds to be included in this list of assets such that banks can reach their liquidity coverage ratio.

In doing that, Mr. Speaker, and in fixing this problem that Mr. MESSER and Congresswoman MALONEY have found, in passing H.R. 2209, State and local governments across the country will continue to be able to have the funds they need to repair their own bridges and roads, not just those in Maine. This will keep interest payments down for our State and local governments, saving taxpayers millions of dollars.

One of the goals of government, of course, is to show fairness and compassion for those that pay the bills, the taxpayers across America.

I am rising in support of this bill, H.R. 2209. I encourage all my colleagues in the House, Republicans and Democrats, to please do the same.

Again, I congratulate the gentleman from Indiana (Mr. MESSER) and the gentlewoman from New York (Mrs. CAROLYN B. MALONEY) for their great work.

□ 1615

Mr. GARRETT. Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico (Mr. PEARCE).

Mr. PEARCE. Mr. Speaker, I thank Mr. MESSER and Mrs. MALONEY for producing this balanced, bipartisan piece of legislation.

The State of New Mexico has a geographical area about the same as five Northeastern States. That area, though, has 55 million people to pay the taxes to build roads, to build infrastructure, and to build schools. In the equivalent geographical area, New Mexico has almost 2 million people to build all of those miles of roads.

Now, this is the effect of this legislation: it removes the financing mechanism that States like New Mexico use—those Western, lightly populated areas—municipal bonds to fund things like schools and roads and infrastructure. Yet the committee that decided what category these assets would fall into said that they are no good and that they are not going to count in the liquidity requirement for institutions.

What that means is $3.7 trillion will evaporate out of that municipal bond market. That is $3.7 trillion that would help us build infrastructure and help us create better living for everybody in the West. Yet this committee, which never visited New Mexico, appears not to have looked at the quality of assets.

Mrs. MALONEY, adequately, says it is not a question of safety and soundness. Mr. MESSER says that the default rate is four one-thousandths of 1 percent. They obviously did not look at the quality of the products. They simply said they are not going to qualify.

What that means is that financial institutions will no longer have incentive nor space under liquidity requirements to hold municipal obligations such as bonds. This is detrimental to the way of life in the West.

I would like to congratulate again Mrs. MALONEY and Mr. MESSER for bringing H.R. 2209 to us today to help be a partial cure to the problems that people from other countries have levied on us. It seems common sense; it seems useful; it seems good for the taxpayer and good for the country. Let's pass H.R. 2209.

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

Again, I want to thank Members on both sides of the aisle. I thank all the sponsors of not only this legislation, but all the legislation that we have had on the floor for the last hour here.

I was just thinking as this was wrapping up about what we will see when we leave here and look in the newspaper tomorrow and see what sort of media coverage Washington will get as to what we did on our first day back.

There is always a hue and cry saying that Washington is broken, there is no bipartisanship, and they are not passing any legislation to create jobs and trying to get the economy going again. You hear about that in the media all the time. As a matter of fact, you actually hear it on the floor, with many Members coming down here saying that this House has not passed a single jobs creation bill in so many days, weeks, months, and years, or what have you.

Well, let it be known today that we worked here in a bipartisan manner, first in subcommittee, the full committee, and now here in the House. We have four pieces of legislation. I know that some of the legislation may have mind-numbing terminology and you may scratch your head when you are talking about the liquidity coverage ratios, the credited investors, LCRs, and all those sort of things. You might say: Well, what does that have to do with the job creation? What does that have to do with infrastructure creation? What does that have to do with getting a new roof on my local school or a bridge built in my town? What does that have to do with helping my neighbor actually get a job when he has been out of work for a period of time? What does that have to do with somebody in my family who is in a job right now, but no opportunity for advancement and no pay raise for a long period of time? These bills on the floor today have everything to do with all those issues.

As we pass these job creation bills in a bipartisan manner, let the word go out that we are doing exactly what the American public asked Congress to do: to work together, get it done, get the infrastructure in this country growing again, get the economy going again, and create jobs again.

That is why it is important to say thank you again to both sides of the aisle, and I encourage a ''yes'' vote on all four of these bills today.

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 New Jersey (Mr. GARRETT) that the House suspend the rules and pass the bill, H.R. 2209.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

INTERNATIONAL MEGAN'S LAW TO PREVENT DEMAND FOR CHILD SEX TRAFFICKING

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the bill (H.R. 515) to protect children from exploitation, especially sex trafficking in tourism, by providing advance notice of intended travel by registered child-sex offenders outside the United States to the government of the country of destination, requesting foreign governments to notify the United States when a known child-sex offender is seeking to enter the United States, and for other purposes.

The Clerk read the title of the bill.

The text of the Senate amendments is as follows:

Senate amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''International Megan's Law to Prevent Child Exploitation and Other Sexual Crimes Through Advanced Notification of Traveling Sex Offenders''.

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

SEC. 2. FINDINGS.

Congress finds the following:

(1) Megan Nicole Kanka, who was 7 years old, was abducted, sexually assaulted, and murdered in 1994, in the State of New Jersey by a violent predator living across the street from her home. Unbeknownst to Megan Kanka and her family, he had been convicted previously of a sex offense against a child.

(2) In 1996, Congress adopted Megan's Law (Public Law 104–145) as a means to encourage States to protect children by identifying the whereabouts of sex offenders and providing the means to monitor their activities.

(3) In 2006, Congress passed the Adam Walsh Child Protection and Safety Act of 2006 (Public Law 109–248) to protect children and the public at large by establishing a comprehensive national system for the registration and notification to the public and law enforcement officers of convicted sex offenders.

(4) Law enforcement reports indicate that known child-sex offenders are traveling internationally.

(5) The commercial sexual exploitation of minors in child sex trafficking and pornography is a global phenomenon. The International Labour Organization has estimated that 1,8000,000 children worldwide are victims of child sex trafficking and pornography each year.

(6) Child sex tourism, where an individual travels to a foreign country and engages in sexual activity with a child in that country, is a form of child exploitation and, where commercial, child sex trafficking.

SEC. 3. DEFINITIONS.

In this Act:

(1) CENTER.—The term ''Center'' means the Angel Watch Center established pursuant to section 4(a).

(2) CONVICTED.—The term ''convicted'' has the meaning given the term in section 111 of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16911).

(3) COVERED SEX OFFENDER.—Except as otherwise provided, the term ''covered sex offender'' means an individual who is a sex offender by reason of having been convicted of a sex offense against a minor.

(4) DESTINATION COUNTRY.—The term ''destination country'' means a destination or transit country.

(5) INTERPOL.—The term ''INTERPOL'' means the International Criminal Police Organization.

(6) JURISDICTION.—The term ''jurisdiction'' means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico;

(D) Guam;

(E) American Samoa;

(F) the Northern Mariana Islands;

(G) the United States Virgin Islands; and

(H) to the extent provided in, and subject to the requirements of, section 127 of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16927), a Federally recognized Indian tribe.

(7) MINOR.—The term ''minor'' means an individual who has not attained the age of 18 years.

(8) NATIONAL SEX OFFENDER REGISTRY.—The term ''National Sex Offender Registry'' means the National Sex Offender Registry established by section 119 of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16919).

(9) SEX OFFENDER UNDER SORNA.—The term ''sex offender under SORNA'' has the meaning given the term ''sex offender'' in section 111 of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16911).

(10) SEX OFFENSE AGAINST A MINOR.—

(A) IN GENERAL.—The term ''sex offense against a minor'' means a specified offense against a minor, as defined in section 111 of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16911).

(B) OTHER OFFENSES.—The term ''sex offense against a minor'' includes a sex offense described in section 111(5)(A) of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16911(5)(A)) that is a specified offense against a minor, as defined in paragraph (7) of such section, or an attempt or conspiracy to commit such an offense.

(C) FOREIGN CONVICTIONS; OFFENSES INVOLVING CONSENSUAL SEXUAL CONDUCT.—The limitations contained in subparagraphs (B) and (C) of section 111(5) of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16911(5)) shall apply with respect to a sex offense against a minor for purposes of this Act to the same extent and in the same manner as such limitations apply with respect to a sex offense for purposes of the Adam Walsh Child Protection and Safety Act of 2006.

SEC. 4. ANGEL WATCH CENTER.

(a) ESTABLISHMENT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Homeland Security shall establish within the Child Exploitation Investigations Unit of U.S. Immigrations and Customs Enforcement a Center, to be known as the ''Angel Watch Center'', to carry out the activities specified in subsection (e).

(b) INCOMING NOTIFICATION.—

(1) IN GENERAL.—The Center may receive incoming notifications concerning individuals seeking to enter the United States who have committed offenses of a sexual nature.

(2) NOTIFICATION.—Upon receiving an incoming notification under paragraph (1), the Center shall—

(A) immediately share all information received relating to the individual with the Department of Justice; and

(B) share all relevant information relating to the individual with other Federal, State, and local agencies and entities, as appropriate.

(3) COLLABORATION.—The Secretary of Homeland Security shall collaborate with the Attorney General to establish a process for the receipt, dissemination, and categorization of information relating to individuals and specific offenses provided herein.

(c) LEADERSHIP.—The Center shall be headed by the Assistant Secretary of U.S. Immigration and Customs Enforcement, in collaboration with the Commissioner of U.S. Customs and Border Protection and in consultation with the Attorney General and the Secretary of State.

(d) MEMBERS.—The Center shall consist of the following:

(1) The Assistant Secretary of U.S. Immigration and Customs Enforcement.

(2) The Commissioner of U.S. Customs and Border Protection.

(3) Individuals who are designated as analysts in U.S. Immigration and Customs Enforcement or U.S. Customs and Border Protection.