

combat money laundering and terrorist financing.

The National Strategy for Combating Terrorist, Underground, and Other Illicit Financing Act addresses this important problem by developing a comprehensive strategy that includes many different components and capabilities of our Federal Government and allies.

From my time working on the terrorism finance task force, we have heard testimony from members of various government agencies and from the private sector who play a role in fighting this issue abroad. As a former United States Ambassador who has worked to stop international terrorist financing, it is clear that coordination and communication between these agencies can be improved to block terrorist financing.

ISIS, along with other terrorist groups, continues to find creative and new ways to obtain financing, often-times using our regulated financial system as a means to launder that money. This legislation, H.R. 5594, ensures our government is taking all actions necessary to stop this growing terrorist threat, and I urge its passage.

Mr. LYNCH. Mr. Speaker, I have no further speakers, and I yield back the balance of my time.

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

In closing, I just want to again thank Chairman HENSARLING and Ranking Member WATERS for entrusting to myself and my colleague, Mr. LYNCH, the important work of investigating terrorism finance, how these terrorist organizations are achieving their resources, what we can do to sort of choke off their financing, which, to terrorism, is sort of like oxygen. Without oxygen, you can't live. Without financing, terrorists can't achieve their goals.

So I want to thank Mr. LYNCH because, during the course of the 2 years we worked together, he worked very closely with me to make sure, in each of the hearings that we had and all the work in putting the bills together, that no politics seeped into this important work, and so we continue to work together.

I also want to thank the staff of the Financial Services Committee, Mr. Joe Pinder, Mr. Chris Matarangas of my staff, and Jackie Cahan of Representative LYNCH's staff, who helped us craft the legislation that is on the floor today. I ask all of my colleagues to support this bill to adopt H.R. 5594.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. FITZPATRICK) that the House suspend the rules and pass the bill, H.R. 5594.

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.

## ANTI-TERRORISM INFORMATION SHARING IS STRENGTH ACT

Mr. FITZPATRICK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5606) to facilitate better information sharing to assist in the fight against the funding of terrorist activities, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5606

*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 "Anti-terrorism Information Sharing Is Strength Act".

### SEC. 2. INFORMATION SHARING.

(a) IN GENERAL.—Section 314 of the USA PATRIOT Act (31 U.S.C. 5311 note) is amended—

(1) in subsection (b)—

(A) by striking "terrorist or money laundering activities" and inserting "terrorist acts, money laundering activities, or a specified unlawful activity (as defined under section 1956(c)(7) of title 18, United States Code)"; and

(B) by striking "activities that may involve terrorist acts or money laundering activities" and inserting "activities that may involve terrorist acts, money laundering activities, or a specified unlawful activity"; and

(2) in subsection (c), by inserting "or a specified unlawful activity (as defined under section 1956(c)(7) of title 18, United States Code)" after "terrorist acts or money laundering activities".

(b) UPDATE TO REGULATIONS.—Section 314(a) of the USA PATRIOT Act (31 U.S.C. 5311 note) is amended by striking "or money laundering activities" each place such term appears and inserting "money laundering activities, or a specified unlawful activity (as defined under section 1956(c)(7) of title 18, United States Code)".

(c) SENSE OF CONGRESS.—Section 314 of the USA PATRIOT Act (31 U.S.C. 5311 note) is amended by adding at the end the following:

"(e) SENSE OF CONGRESS.—It is the sense of the Congress that, in furtherance of efforts to stop the financing of terror and other forms of illicit financing through increased sharing of information, and consistent with the need to prevent inappropriate dissemination of such information—

"(1) Federal law enforcement agencies and regulators should share information about terrorist activities, money laundering activities, and other specified unlawful activities (as defined under section 1956(c)(7) of title 18, United States Code) to the fullest extent possible and in a timely fashion; and

"(2) financial institutions, including nonbank financial institutions, should share information about such acts and activities with each other to the fullest extent possible and in a timely fashion."

### SEC. 3. DISCLOSURE LIABILITY.

Section 5318(g)(3)(B) of title 31, United States Code, is amended—

(1) in clause (i), by striking "or" at the end;

(2) in clause (ii), by striking the period and inserting "or"; and

(3) by adding at the end the following:

"(iii) any duty or requirement of a financial institution or any director, officer, employee, or agent of such institution to demonstrate to any person, as used in such subparagraph, that a disclosure referenced in such subparagraph is made in good faith."

### SEC. 4. REPORT TO CONGRESS.

(a) IN GENERAL.—Not later than the end of the 120-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury shall report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate regarding—

(1) the Department of the Treasury's assessment of the risks and benefits of allowing sharing of information, consistent with appropriate privacy protections—

(A) between United States financial institutions and foreign financial institutions;

(B) between United States financial institutions and their foreign subsidiaries; and

(C) between United States subsidiaries of foreign financial institutions and their parent financial institutions; and

(2) whether a financial institution defined under section 5312(a)(2) of title 31, United States Code, that is not required under Treasury regulations on the date of the enactment of this Act to maintain an anti-money laundering program, should be authorized to appropriately share information pursuant to subsection (b) of section 314 of the USA PATRIOT Act, if—

(A) the financial institution voluntarily establishes and maintains such an anti-money laundering program;

(B) such program is subject to examination, and has been examined, by the appropriate regulator; and

(C) the Secretary determines such program to be adequately operating.

(b) SEPARATE PRESENTATION OF CLASSIFIED MATERIAL.—Any part of the report described under subsection (a) that involves information which is properly classified under criteria established by the President shall be submitted to the committees described under subsection (a) separately in a classified annex and, if requested by the chairman or ranking Member of one of such committees, as a briefing at an appropriate level of security.

### SEC. 5. RULEMAKING.

Not later than the end of the 180-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury shall issue regulations to be consistent with the amendments made by this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. FITZPATRICK) and the gentleman from Massachusetts (Mr. LYNCH) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania.

#### GENERAL LEAVE

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the bill.

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

There was no objection.

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

Mr. Speaker, in the opaque world of counter-threat finance, information sharing is critical for both the private and also the public sectors.

The PATRIOT Act created a safe harbor provision allowing for limited information sharing to combat money

laundering and terrorist financing. However, this provision has not been widely used, and some recent court decisions have called into question banks' liability for complying with requirements to report suspected money laundering, necessitating minor changes in law to clarify congressional intent.

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While subsection 314(b) of the PATRIOT Act encourages government agencies to share appropriate information with banks, and banks to share information with each other, banks have complained that the government does an inadequate job of sharing information that could help banks more easily identify suspicious activities.

Throughout the task force hearings, banks and other experts have stated that more and better information sharing would reduce the compliance burden on banks and make their efforts more effective.

H.R. 5606 aims to enhance safe harbor provisions for information sharing by broadening the range of suspected illegal activities abroad, but requires a study to determine the appropriate level of sharing with information subsidiaries or headquarters of U.S. banking operations, and then requires new rulemaking to clarify congressional intent. This proposed change would ensure that financial institutions file SARs without fear of civil litigation simply for complying with Federal law and would, thus, facilitate the continued flow of critically important suspicious activity reporting.

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

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

I would like to just clarify that it was really the task force chairman, the gentleman from the State of Pennsylvania (Mr. FITZPATRICK), who set the tone for the bipartisan work between Members on both sides of the aisle. That has really carried the day and, I think, resulted in some very strong and effective legislation that came as a result of the work that many of the Members on both sides of the aisle here—Mr. PITTENGER especially, and Mr. FITZPATRICK as well, and Members on our side—in dealing with a lot of the governments in the Middle East, some of the financial intelligence units that operate in Lebanon, but also in Jordan, in Turkey, in various countries in Africa, as well as some of the countries that my colleagues visited in South and Central America. So this is a global effort and, like I say, it is a bipartisan effort.

I rise today in support of H.R. 5606, legislation offered by my colleagues, Representatives PITTENGER of North Carolina and Ms. MAXINE WATERS of California, that will enhance and promote the timely sharing of information among financial institutions and government agencies in order to more effectively thwart illicit finance.

In recent years, government officials have repeatedly emphasized the importance of strengthening and clarifying the information sharing provisions under current law. Expert witnesses before our committee have also echoed these sentiments over the course of the Financial Services Committee's Task Force to Investigate Terrorism Financing hearings.

The legislation before us today that I am proud to cosponsor will facilitate more effective information sharing in a number of ways.

First, the legislation provides assurances to financial institutions that they may report suspicious transactions without risking being exposed to civil litigation for simply complying with their obligations under Federal law. Although FinCEN, the Financial Crimes Enforcement Network, which is our FIU in the United States, has already specified that financial institutions have complete protection from civil liability for all reports of suspicious transactions made to appropriate authorities. Some court rulings have cast doubt on the level of certainty a financial institution must have before reporting suspect transactions. H.R. 5606 eliminates this uncertainty in an effort to ensure the continued reporting of suspicious transactions.

Secondly, the bill seeks to enhance cooperation among financial institutions, also regulatory authorities and law enforcement, by expanding the range of counter-illicit financing information shared with financial institutions for the sole purpose of allowing such financial institutions to identify and report specified illicit activity.

Thirdly, H.R. 5606 expands the existing safe harbor for sharing information related to terrorist acts and money laundering to include a broader range of information related to illicit activity that is connected to money laundering and terrorist financing. In doing so, financial institutions and the government can more effectively connect the dots that are involved in mapping illicit financing networks.

Finally, the bill includes a study to assess the appropriate levels of information sharing between U.S. and foreign financial institutions, between U.S. financial institutions and their foreign subsidiaries, and between U.S. subsidiaries of foreign financial institutions and their parent institutions. This cooperation is ultimately necessary.

Given the central role of the U.S. financial system within the global economy and the sheer volume and diversity of transactions that pass through U.S. institutions, it is increasingly clear how essential it is to have a strong, coordinated U.S. Government and private sector response in the fight against terror finance.

H.R. 5606 will help promote the type of enhanced coordination that is needed to stay ahead of illicit behavior through the exploitation of our financial system.

Mr. Speaker, I urge all of our Members on both sides of the aisle to support this legislation.

I reserve the balance of my time.

Mr. FITZPATRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. PITTENGER), the author of the bill.

Mr. PITTENGER. Mr. Speaker, I thank the chairman for yielding, and I thank the gentleman for the leadership he has shown this past year on the issue of terrorist group financing. I would also like to pay recognition and gratitude to Chairman HENSARLING for his leadership on this, and Ranking Member MAXINE WATERS of California for her leadership. Particularly, I would like to make note of the ranking member of our Task Force to Investigate Terrorism Financing, the gentleman from Massachusetts (Mr. LYNCH), and thank the gentleman for his great efforts and work.

Our task force bills on the floor today are the result of a bipartisan, year-long series of hearings that focused on ways to improve and tailor our laws to better address the evolving threats posed by terrorist groups within our financial sector.

My bill, the Anti-Terrorism Information Sharing Is Strength Act, cosponsored with Ms. MAXINE WATERS of California, helps clarify our current illicit financial laws with Mr. LYNCH and provides much-needed technical corrections to ensure that our current laws work as originally intended by Congress. We must work to ensure that private financial institutions are not penalized for working with the Federal Government to combat terrorism financing.

Mr. Speaker, some Members of this body have been spreading some misinformation about our efforts, specifically regarding section 314 of the PATRIOT Act. Section 314 plays a vital role in enabling our law enforcement the ability to share information and intelligence about terrorist financiers with private financial institutions in an effort to put an end to illicit financing. Terrorist organizations, much like criminal enterprises, are becoming more sophisticated in terms of the methods they use to evade American and international laws to combat money laundering and illicit financing.

As the U.S. Government considers initiatives to counter ISIS and other terror organizations, we must include financial components to ensure that these groups do not receive the funding necessary to conduct operations and to further promote fear, extremism, and violence.

Mr. LYNCH. Mr. Speaker, let me again thank Mr. PITTENGER for his great work and also Ms. MAXINE WATERS' tremendous work. I thank Mr. FITZPATRICK again for his leadership.

I yield back the balance of my time.

Mr. FITZPATRICK. Mr. Speaker, I ask all Members to vote in favor of H.R. 5606.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. FITZPATRICK) that the House suspend the rules and pass the bill, H.R. 5606.

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. AMASH. 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.

#### ENHANCING TREASURY'S ANTI-TERROR TOOLS ACT

Mr. FITZPATRICK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5607) to enhance the Department of the Treasury's role in protecting national security, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5607

*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 "Enhancing Treasury's Anti-Terror Tools Act".

##### SEC. 2. EXAMINING THE DEPARTMENT OF THE TREASURY'S COUNTER-TERROR FINANCING ROLE IN EMBASSIES.

Within 180 days of the enactment of this Act, the Secretary of the Treasury shall issue 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—

(1) a list of the United States embassies in which a full-time Department of the Treasury attaché is stationed;

(2) a list of the United States embassies at which a Department of the Treasury attaché is assigned for temporary duty, the length of such assignments, and the reason why such assignments are not considered to be a permanent assignments;

(3) how the Department of the Treasury's interests relating to anti-terror finance, money laundering, and related illicit finance issues are handled at other embassies, including a discussion of the reporting structure by which such issues are brought to the direct attention of the ambassador;

(4) a description of the role the Department of the Treasury attachés play in advancing America's anti-terrorism financing interests;

(5) a discussion of patterns, trends, or other issues identified by Department of the Treasury attachés in the previous year concerning anti-terror finance, money laundering, and related illicit finance;

(6) recommendations to improve coordination between the Department of the Treasury and foreign financial ministries of efforts to block the financing of terror, money laundering, and related illicit finance; and

(7) a discussion of whether the Department of the Treasury's interests relating to anti-terror finance, money laundering, or related illicit finance issues are thought to be under-represented in some embassies or regions.

##### SEC. 3. CLARIFYING REQUIREMENTS FOR RECORDKEEPING.

(a) IN GENERAL.—Section 5326 of title 31, United States Code, is amended—

(1) in the heading of such section, by striking "coin and currency";

(2) in subsection (a)—

(A) by striking "subtitle and" and inserting "subtitle or to"; and

(B) in paragraph (1)(A), by striking "United States coins or currency (or such other monetary instruments as the Secretary may describe in such order)" and inserting "funds (as the Secretary may describe in such order)"; and

(3) in subsection (b)—

(A) in paragraph (1)(A), by striking "coins or currency (or monetary instruments)" and inserting "funds"; and

(B) in paragraph (2), by striking "coins or currency (or such other monetary instruments as the Secretary may describe in the regulation or order)" and inserting "funds (as the Secretary may describe in the regulation or order)".

(b) CLERICAL AMENDMENT.—The table of contents for chapter 53 of title 31, United States Code, is amended in the item relating to section 5326 by striking "coin and currency".

##### SEC. 4. STUDY OF BUREAU STATUS.

(a) STUDY.—The Secretary of the Treasury shall carry out a study on the advisability and implications of transforming the Office of Terrorism and Financial Intelligence into a standalone bureau of the Department of the Treasury, and the effects such a move would have on the Department of the Treasury's efforts to stop money laundering, the financing of terror, and related illicit finance.

(b) REPORT.—Within 270 days of the date of the enactment of this Act, the Secretary of the Treasury shall issue a report to the Committee on Financial Services and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Select Committee on Intelligence of the Senate containing all findings and determinations made in carrying out the study required under subsection (a).

##### SEC. 5. IMPROVING ANTI-TERROR FINANCE MONITORING OF FUNDS TRANSFERS.

(a) STUDY.—To improve the Department of the Treasury's ability to better track cross-border fund transfers and identify potential financing of terror or other illicit finance, the Secretary of the Treasury shall carry out a study to assess—

(1) the potential efficacy of requiring banking regulators to establish a pilot program to provide technical assistance to depository institutions and credit unions that wish to provide account services to money services businesses serving individuals in Somalia;

(2) whether such a pilot program could be a model for improving the ability of Americans to legitimately send funds to their loved ones through transparent and easily monitored channels; and

(3) the potential impact of allowing money services businesses to share their State examinations with depository institutions and credit unions, or if another mechanism could be found to allow a similar exchange of information that would give such depository institutions and credit unions a better understanding of whether an individual money services business is adequately meeting its anti-money laundering and counter terror financing obligations to combat money laundering, the financing of terror, or related illicit finance.

(b) REPORT.—Within 270 days of the date of the enactment of this Act, the Secretary of the Treasury shall issue 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 all findings and determinations made in carrying out the study required under subsection (a).

(c) MONEY SERVICES BUSINESS DEFINED.—For purposes of this section, the term "money services business" has the meaning given that term under section 1010.100 of title 31, Code of Federal Regulations.

##### SEC. 6. SENSE OF CONGRESS.

It is the sense of the Congress that the Secretary of the Treasury, acting in the Secretary's own capacity and through the Under Secretary for Terrorism and Financial Crimes, should work with finance ministry counterparts worldwide to spur the development within such ministries of entities similar to the Department of the Treasury's Office of Intelligence and Analysis to more solidly integrate the intelligence community with anti-money laundering and counter-terrorist financing efforts.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. FITZPATRICK) and the gentleman from Massachusetts (Mr. LYNCH) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania.

##### GENERAL LEAVE

Mr. FITZPATRICK. 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 materials on this bill.

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

There was no objection.

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

Mr. Speaker, the Department of the Treasury has done excellent work in its endeavor to curb money laundering and assist Federal law enforcement in its mission to combat terrorism. However, we cannot take its successes for granted.

Throughout the task force, we heard time and time again that organized criminal and terrorist groups are constantly changing; adapting their techniques in an effort to expose and utilize the international financial system and that of the United States. As a result, it is imperative that we continue to improve the tools we use to combat these threats. H.R. 5607 aims to do just that.

This bill enhances a number of tools that the Department of the Treasury uses in its efforts to combat the financing of terror and money laundering, which includes providing a greater emphasis on Treasury attachés stationed in embassies overseas, strengthening the requirements for temporary enhanced reporting, and adding the Secretary of the Treasury as a full-time member of the National Security Council.

Our adversaries are constantly adapting. We must adapt as well. The policies implemented by this bill will prove to strengthen the Treasury's weapons as it continues to carry out its important work.

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