



(Original Signature of Member)

117TH CONGRESS
2D SESSION

H. R. _____

To impose a fee on certain remittance transfers to fund border security.

IN THE HOUSE OF REPRESENTATIVES

Mr. HERN introduced the following bill; which was referred to the Committee
on _____

A BILL

To impose a fee on certain remittance transfers to fund
border security.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. REMITTANCE TRANSFER FEE.**

4 (a) IN GENERAL.—Section 920 of the Electronic
5 Fund Transfer Act (relating to remittance transfers) (15
6 U.S.C. 1693o–1) is amended—

7 (1) by redesignating subsection (g) as sub-
8 section (h); and

1 (2) by inserting after subsection (f) the fol-
2 lowing:

3 “(g) REMITTANCE TRANSFER FEE.—

4 “(1) IN GENERAL.—If the designated recipient
5 of a remittance transfer is located outside of the
6 United States, a remittance transfer provider shall
7 collect from the sender of such remittance transfer
8 a remittance transfer fee equal to 5 percent of the
9 United States dollar amount to be transferred.

10 “(2) TRANSFER OF FUNDS.—Not later than 90
11 days after the date of enactment of this subsection,
12 the Secretary of the Treasury, in consultation with
13 the Bureau and remittance transfer providers, shall
14 develop and make available a system for remittance
15 transfer providers to submit the remittance transfer
16 fees collected in accordance with paragraph (1) to
17 the Secretary for transfer to the Border Enforce-
18 ment Trust Fund as provided in section 3344(b) of
19 title 31, United States Code.

20 “(3) PENALTIES.—

21 “(A) Whoever, with the intent to evade a
22 remittance transfer fee to be collected in ac-
23 cordance with this subsection, and who has
24 knowledge that, at the time of a remittance
25 transfer, the value of the funds involved in the

1 transfer will be further transferred to a recipi-
2 ent located outside of the United States, re-
3 quests or facilitates such remittance transfer to
4 a recipient located outside of the United States
5 shall be subject to a penalty of not more than
6 \$500,000 or twice the value of the funds in-
7 volved in the remittance transfer, whichever is
8 greater, or imprisonment for not more than 20
9 years, or both.

10 “(B) Any foreign country that, in the joint
11 determination of the Secretary of Homeland Se-
12 curity, the Secretary of the Treasury, and the
13 Secretary of State, aids or harbors an indi-
14 vidual conspiring to avoid the fee collected in
15 accordance with this subsection shall be ineli-
16 gible to receive foreign assistance and to par-
17 ticipate in the visa waiver program or any other
18 programs, at the discretion of the Secretaries
19 described in this subparagraph.”.

20 (b) REFUNDABLE INCOME TAX CREDIT ALLOWED
21 TO CITIZENS OF THE UNITED STATES FOR REMITTANCE
22 TRANSFER FEES.—

23 (1) IN GENERAL.—Subpart C of part IV of sub-
24 chapter A of chapter 1 of the Internal Revenue Code

1 of 1986 is amended by adding at the end the fol-
2 lowing new section:

3 **“SEC. 36C. REMITTANCE TRANSFER FEES OF UNITED**
4 **STATES CITIZENS.**

5 “In the case of any individual who is a citizen of the
6 United States, there shall be allowed as a credit against
7 the tax imposed by this subtitle for any taxable year an
8 amount equal to the aggregate amount of remittance
9 transfer fees paid by such individual under section 920(g)
10 of the Electronic Fund Transfer Act (15 U.S.C. 1693o-
11 19(g)) during such taxable year.”.

12 (2) CONFORMING AMENDMENTS.—

13 (A) Section 6211(b)(4)(A) of the Internal
14 Revenue Code of 1986 is amended by inserting
15 “36C,” after “36B,”.

16 (B) Paragraph (2) of section 1324(b) of
17 title 31, United States Code, is amended by in-
18 serting “36C,” after “36B,”.

19 (C) The table of sections for subpart C of
20 part IV of subchapter A of chapter 1 of the In-
21 ternal Revenue Code of 1986 is amended by in-
22 serting after the item relating to section 36B
23 the following new item:

“Sec. 36C. Remittance transfer fees of United States citizens.”.

1 (3) EFFECTIVE DATE.—The amendments made
2 by this subsection shall apply to taxable year ending
3 after the date of the enactment of this Act.

4 (c) REPORT REGARDING AMOUNT OF REMITTANCE
5 TRANSFERS TO EACH FOREIGN COUNTRY.—The Commis-
6 sioner of the United States Customs and Border Protec-
7 tion shall annually submit to the Committee on Banking,
8 Housing, and Urban Affairs and the Committee on Home-
9 land Security and Governmental Affairs of the Senate and
10 the Committee on Financial Services and the Committee
11 on Homeland Security of the House of Representatives an
12 annual report describing the aggregate amount of remit-
13 tance transfers made to each foreign country during the
14 year to which such report relates.

15 **SEC. 2. BORDER ENFORCEMENT TRUST FUND.**

16 (a) ESTABLISHMENT OF FUND.—At the end of sub-
17 chapter III of chapter 33 of title 31, United States Code,
18 insert the following:

19 **“§ 3344. Border Enforcement Trust Fund.**

20 “(a) ESTABLISHMENT OF TRUST FUND.—Not later
21 than 60 days after the date of enactment of this section,
22 the Secretary of the Treasury shall establish an account
23 in the Treasury of the United States, to be known as the
24 ‘Border Enforcement Trust Fund’.

25 “(b) TRANSFERS TO TRUST FUND.—

1 “(1) IN GENERAL.—There are hereby appro-
2 priated to the Border Enforcement Trust Fund the
3 excess of—

4 “(A) amounts collected as remittance
5 transfer fees under section 920(g) of the Elec-
6 tronic Fund Transfer Act (15 U.S.C. 1693o-
7 19(g)), over

8 “(B) credits allowed under section 36C of
9 the Internal Revenue Code of 1986 with respect
10 to such amounts.

11 “(2) TIMING AND ESTIMATES.—Amounts ap-
12 propriated under paragraph (1) shall be transferred
13 by the Secretary of the Treasury at least monthly
14 from the general fund of the Treasury on the basis
15 of estimates made by the Secretary of the Treasury.
16 Proper adjustments shall be made in amounts subse-
17 quently transferred to the extent prior estimates
18 where in excess of or less than the amounts required
19 to be transferred.

20 “(c) EXPENDITURES FROM TRUST FUND.—Amounts
21 in the Border Enforcement Trust Fund shall be available,
22 as provided in appropriation Acts, only to—

23 “(1) employ and train additional U.S. Border
24 Patrol agents,

1 “(2) employ and train officers and support staff
2 employed in enforcement and removal operations of
3 Immigration and Customs Enforcement of the De-
4 partment of Homeland Security,

5 “(3) plan, design, construct, improve, or main-
6 tain barriers along the international border between
7 the United States and Mexico, and

8 “(4) plan, design, construct, improve, or main-
9 tain detention facilities for aliens without lawful im-
10 migration status.”.

11 (b) CLERICAL AMENDMENT.—The table of contents
12 for chapter 33 of title 31, United States Code, is amended
13 by inserting at the end the following:

“3344. Border Enforcement Trust Fund..”.