

117TH CONGRESS  
2D SESSION

# H. R. 8566

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

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## IN THE HOUSE OF REPRESENTATIVES

JULY 28, 2022

Mr. HERN introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Homeland Security, Foreign Affairs, Financial Services, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## 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.”.

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