



NATIONAL FRATERNAL ORDER OF POLICE®

328 MASSACHUSETTS AVE., N.E.
WASHINGTON, DC 20002

PATRICK YOES
NATIONAL PRESIDENT

JIM PASCO
EXECUTIVE DIRECTOR

22 October 2019

The Honorable Nancy P. Pelosi
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Kevin O. McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Madam Speaker and Representative McCarthy,

I am writing on behalf of the members of the Fraternal Order of Police to advise you of our strong support for H.R. 2513, the “Corporate Transparency Act,” which now includes the language from H.R. 2514, the “Coordinating Oversight, Upgrading and Innovating Technology, and Examiner Reform (COUNTER) Act.” We are grateful to Representatives Cleaver and Maloney for their hard work on this issue. The FOP fully supports this sweeping legislation and we urge all members of the House to vote in favor of the bill.

Transnational criminal organizations and terrorist operations are using our banks, financial institutions and other means to profit from their illegal activity. This is a well-documented problem for our financial institutions and for law enforcement, which has pushed for the collection of beneficial ownership information in order to combat these sophisticated criminal enterprises. In this Congress, Members of the Financial Services Committee worked with the FOP and others in law enforcement to develop H.R. 2513, which would allow for the collection of this data, and favorably reported it on an overwhelming bipartisan vote.

The Administration also supports this legislation. Last July, U.S. Secretary of the Treasury Steven T. Mnuchin testified before the Committee on Financial Services and stated that there is a real need to “have access to beneficial ownership information for law enforcement and for combating terrorist financing.” The Secretary’s remarks made it clear that this is a pressing issue and the vulnerability of our financial institutions is a genuine threat to public safety and national security.

Under current laws, shell corporations may be used as front organizations by criminals conducting illegal activity, such as money laundering, fraud, and tax evasion. This bill will allow for the collection of simple, yet actionable, information from companies to be used in combating this misuse of U.S. companies. By requiring the Financial Crimes Enforcement Network (FinCEN) to collect beneficial ownership information from corporations and limited

liability companies, law enforcement will finally be able to effectively investigate shell companies that deal in illicit financing as well as human, sex, gun and drug trafficking. This legislation ensures that this information, once collected, will be available to law enforcement at every level—local, State, tribal and Federal—through appropriate protocols while still ensuring privacy protection.

Law enforcement will be able to use this information to further existing investigations and allow them to uncover connections between these corporations and criminal activity. All too often, investigations hit a dead end when we encounter a company with hidden ownership. Just as robbers or burglars wear masks to hide their faces to make identifying them more difficult, the criminals we are chasing in these cases use shell corporations as masks, concealing themselves while still profiting from their crimes. When we are able to expose the link between the criminals and the shell companies in which they are misusing to profit from drug trafficking, corruption, organized crime and terrorist finance, law enforcement will be able to bring them to justice and make our citizens and our nation safer. This legislation will help law enforcement by removing the mask that hides these illicit actors.

On behalf of the more than 349,000 members of the Fraternal Order of Police, I urge all Members of the House to support H.R. 2513 and protect our financial system and our nation from criminal and terrorist organizations. If I can provide any additional information on this matter, please do not hesitate to contact me or my Executive Director, Jim Pasco, in my Washington, D.C. office.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Yoes", with a large, stylized flourish extending to the right.

Patrick Yoes
National President