



NATIONAL FRATERNAL ORDER OF POLICE®

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

PATRICK YOES
NATIONAL PRESIDENT

JIM PASCO
EXECUTIVE DIRECTOR

08 October 2020

The Honorable James M. Inhofe
Chairman
Committee on Armed Services
United States Senate
Washington, D.C. 20510

The Honorable John F. Reed
Ranking Member
Committee on Armed Services
United States Senate
Washington, D.C. 20510

The Honorable Adam D. Smith
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

The Honorable William M. "Mac" Thornberry
Ranking Member
Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairmen, Senator Reed and Representative Thornberry,

I am writing on behalf of the members of the Fraternal Order of Police to urge you to retain the "Corporate Transparency Act" in H.R. 6395, the "William M. (Mac) Thornberry National Defense Authorization Act (NDAA) for Fiscal Year 2021," as passed in the House in July. This comprehensive legislation provides much-needed tools to better combat money laundering, including the crucial collection of beneficial ownership information.

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 as we work to shut down these sophisticated criminal enterprises. The "Corporate Transparency Act" has the support of the Administration. In fact, U.S. Secretary of the Treasury Steven T. Mnuchin testified before the House Financial Services Committee in the last Congress and stated that there is a real need to "have access to beneficial ownership information for law enforcement and for combating terrorist financing." The House responded by including the "Corporate Transparency Act" in the House-passed NDAA.

It is very 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. 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 and 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.

--BUILDING ON A PROUD TRADITION--



We need to include this provision in the final version of the NDAA to allow for the collection of simple, yet actionable, information 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 properly investigate shell companies that deal in illicit financing, criminal trafficking and the smuggling of people, firearms and drugs. The information, once collected, will be available to law enforcement at every level—local, State, tribal, and Federal. When we are able to expose the link between shell companies and trafficking, corruption, organized crime, and terrorist financing, law enforcement will be able to bring these criminals to justice and make our citizens and our nation safer.

On behalf of the more than 355,000 members of the Fraternal Order of Police, I urge you to include the “Corporate Transparency Act” in the final NDAA bill. It is critical that this Congress take action on the need to collect beneficial ownership information now and not leave this crisis for the next Congress. If I can be of any further assistance, please do not hesitate to contact me or Executive Director Jim Pasco in my Washington office.

Sincerely,

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

Patrick Yoes
National President