



NATIONAL FRATERNAL ORDER OF POLICE®

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PATRICK YOES
NATIONAL PRESIDENT

JIM PASCO
EXECUTIVE DIRECTOR

20 July 2020

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 support for H. Amdt 1, the “Corporate Transparency Act and COUNTER Act,” a pending amendment to the National Defense Authorization Act for Fiscal Year 2021, offered by Representative Carolyn B. Maloney (D- NY). This will be included in the first *en bloc* amendment that will be voted on by the House tomorrow. This comprehensive legislation provides much-needed tools to better combat money laundering, including the crucial collection of beneficial ownership information, and we urge the House to adopt it.

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 together to shut down these sophisticated criminal enterprises. In addition, this Administration also agrees with many of the amendment’s provisions. Last Congress, U.S. Secretary of the Treasury Steven T. Mnuchin testified before the House Financial Services Committee and stated that there is a real need to “have access to beneficial ownership information for law enforcement and for combating terrorist financing.” Furthermore, the House has shown its support on this issue when it passed H.R. 2513, the “Corporate Transparency Act,” last year in a bipartisan vote of 249-173. Similar to this amendment, H.R. 2513 requires the collection of beneficial ownership information.

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. This amendment will 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 and 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.



This allows law enforcement to use this information to further existing investigations 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 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. When we are able to expose the link between shell companies and drug 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. This legislation will help law enforcement by removing the masks that hide these illicit actors.

On behalf of the more than 354,000 members of the Fraternal Order of Police, I urge the House to pass this amendment. 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 office.

Sincerely,

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

Patrick Yoes
National President