



August 3, 2017

The Honorable Ron Wyden  
United States Senate  
221 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Marco Rubio  
United States Senate  
284 Russell Senate Office Building  
Washington, DC 20510

**RE: Corporate Transparency Act (S.1717)**

Dear Senators Wyden and Rubio,

On behalf of the Financial Accountability and Corporate Transparency Coalition (FACT Coalition), we thank you for your leadership in sponsoring the **Corporate Transparency Act (S.1717)**. The FACT Coalition is a non-partisan alliance of more than 100 state, national, and international organizations promoting policies to combat the harmful impacts of corrupt financial practices.<sup>1</sup>

This bill would create new tools to effectively combat terrorism and financial crimes by ending the incorporation of anonymous companies in the United States. Specifically, this legislation would enable law enforcement to more effectively and efficiently conduct investigations, enhancing safety by saving time and resources in pursuing complex money laundering operations. Anonymous companies formed in the U.S. have been used for a wide range of dangerous and illicit activities, including as fronts for rogue countries to evade sanctions,<sup>2</sup> to cloak arms dealers shipping weapons into conflict zones,<sup>3</sup> to fuel the opioid crisis in communities across the country,<sup>4</sup> to engage in human trafficking,<sup>5</sup> to rip off Medicare,<sup>6</sup> and to undermine the safety of our troops through the sale of faulty equipment.<sup>7</sup>

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<sup>1</sup> For a full list of FACT Coalition members, visit <https://thefactcoalition.org/about/coalition-members-and-supporters/>.

<sup>2</sup> Julie Satow, "Seizing Iran's Slice of Fifth Avenue," *The New York Times*, September 24, 2013, <https://nyti.ms/2nEDDUI>.

<sup>3</sup> *Global Witness*, "The Great Rip-Off," <http://greatripoffmap.globalwitness.org/#!/case/57988>.

<sup>4</sup> Nathan Proctor and Julia Ladics. "Anonymity Overdose: Ten Cases that Connect Opioid Trafficking and Related Money Laundering to Anonymous Shell Companies" *Fair Share Education Fund*, August 1, 2016, [http://www.fairshareonline.org/sites/default/files/AnonymityOverdose\\_Aug1\\_2016.pdf](http://www.fairshareonline.org/sites/default/files/AnonymityOverdose_Aug1_2016.pdf).

<sup>5</sup> *Global Witness*, "The Great Rip-Off", <http://greatripoffmap.globalwitness.org/#!/case/57938>.

<sup>6</sup> Joseph Kraus and Stefanie Ostfeld. "A Bill to End Secrecy Surrounding Shell Companies," *The Hill*, February 03, 2016, <http://thehill.com/blogs/congress-blog/economy-a-budget/265401-a-bill-to-end-secrecy-surrounding-shell-companies>.

<sup>7</sup> *The United States Attorney's Office, Eastern District of Virginia*, "Former America's Most Wanted Fugitive sentenced to 105 years for leading international conspiracy to defraud the military," <https://www.dodig.mil/IGInformation/IGInformationReleases/RogerDayPR.pdf>.

The increased accountability made possible by the bill would make it much harder for these criminals to hide behind shell companies to perpetrate schemes to defraud legitimate businesses, investors, or taxpayers.

Your bill comes at a critical time. There has never been more momentum behind the effort to end anonymous companies than there is right now. We look forward to continuing to work with you and your staff on this legislation so that we can end the abuse of anonymous companies.

For additional information, please contact Clark Gascoigne at [cgascoigne@thefactcoalition.org](mailto:cgascoigne@thefactcoalition.org) or +1 (202) 810-1334. Thank you again for your commitment to this important issue.

Sincerely,

**Gary Kalman**  
Executive Director  
The FACT Coalition

**Clark Gascoigne**  
Deputy Director  
The FACT Coalition

cc    The Honorable Mike Crapo  
      The Honorable Sherrod Brown  
      Members of the U.S. Senate Committee on Banking, Housing, and Urban Affairs

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