



# NATIONAL FRATERNAL ORDER OF POLICE®

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13 June 2018

The Honorable T. Jeb Hensarling  
Chairman  
Committee on Financial Services  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Maxine M. Waters  
Ranking Member  
Committee on Financial Services  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman and Representative Waters,

I am writing on behalf of the membership of the Fraternal Order of Police to convey our disappointment with the decision to move forward on draft legislation entitled the “Counter Terrorism and Illicit Finance Act,” without the bill’s most critical provision—the collection of beneficial ownership information. Without this language, the bill does nothing to counter terrorism or illicit finance and, for this reason, we urge all members of the committee to reject it.

For years, the FOP has supported the collection of beneficial ownership information to combat terrorist financing, money laundering and other criminal activities. With the creation of the Subcommittee on Terrorism and Illicit Finance and a genuine bipartisan effort to address this issue, we believed this was the perfect opportunity to advance legislation which would have a positive and meaningful impact for law enforcement’s efforts to thwart criminal enterprises abusing the U.S. financial system. The original draft of the bill contained a provision similar to H.R. 3089, the “Corporate Transparency Act,” which was itself the product of a long and bipartisan effort. The FOP invested a lot of time and effort explaining to many members of the full Committee the real need for the collection of beneficial ownership data and we urged them to support the draft.

Regrettably, the draft bill that will be considered this week no longer has the beneficial ownership provision. Instead, it proposes to study the effectiveness of the collection of this data under the new Customer Due Diligence (CDD) rules. While we recognize that it is offered in good faith, it falls far too short to be of any real value. Law enforcement has been telling Congress that we need this information for years and to waste this opportunity to include a provision which will have an immediate impact on current and future investigations is almost criminal.

—BUILDING ON A PROUD TRADITION—

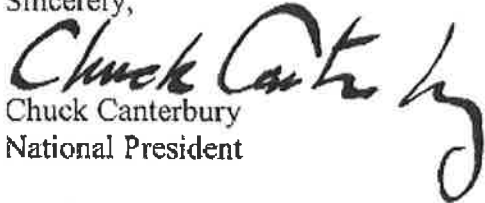
In fact, the draft text would increase the monetary threshold for filing Currency Transaction Reports and Suspicious Activity Reports, thereby reducing the information law enforcement currently receives. We would respectfully suggest that this issue is one worthy of study—how would increasing these thresholds impact law enforcement and investigations into money laundering and other financial crimes?

Simply put, this bill does nothing to counter terrorism or illicit finance because the law enforcement component—the collection of beneficial ownership information—has been removed. This means there is no reason for the FOP—or any law enforcement organization for that matter—to support the current draft of this now ill-named bill.

We sincerely appreciate all the effort and support we received from staff while the FOP was on the Hill and advocating for the collection of beneficial ownership data and we are very disappointed with the decision to exclude it from the draft. We will continue to work with Chairman Pearce and Representatives King and Maloney, as well as other members of the Committee who recognize the needs of law enforcement on this issue. Without this key provision, the FOP must oppose the bill and urges all members of the Committee to vote against the draft at mark-up.

On behalf of the more than 335,000 members of the Fraternal Order of Police, I thank you for considering our views on this important issue. If I can provide any additional information, please do not hesitate to contact me or my Senior Advisor, Jim Pasco, in my Washington office.

Sincerely,



Chuck Canterbury  
National President