



# NATIONAL FRATERNAL ORDER OF POLICE®

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**CHUCK CANTERBURY**  
NATIONAL PRESIDENT

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EXECUTIVE DIRECTOR

6 May 2019

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

The Honorable Patrick T. McHenry  
Ranking Member  
Committee on Financial Services  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Madam Chairman and Representative McHenry,

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 “Corporation Transparency Act.” The FOP has supported this legislation for many years and we are grateful that the committee will be considering it this week.

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. Congress and this committee have played a leadership role in identifying the problem and worked with law enforcement to develop legislation like H.R. 2513. In addition, this Administration also agrees with this approach—last July, U.S. Secretary of the Treasury Steven T. Mnuchin testified before this committee and stated that there is a real need to “have access to beneficial ownership information for law enforcement and for combating terrorist financing.”

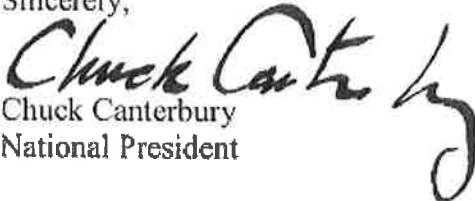
The Secretary’s remarks made it very clear that this is a pressing issue and the vulnerability of our financial institutions poses a genuine threat to public safety and national security. Under current laws, shell corporations may be used as front organizations by criminals conducting illegal activity, such as money laundering, fraud, and tax evasion. The “Corporation Transparency Act” proposes to combat this misuse of U.S. corporations by requiring the U.S. Department of the Treasury, specifically the Financial Crimes Enforcement Network (FinCEN), to collect beneficial ownership information from corporations and limited liability companies formed under State laws. It is vital that such information, once collected, be available to law enforcement at every level—local, State, tribal and Federal—using the appropriate protocols. For this reason, the FOP opposes any amendment to the bill as introduced which would have the Internal Revenue Service (IRS) as the entity collecting the beneficial ownership information.

Once FinCEN has the ability to share this information, law enforcement will be able to investigate possible connections between these corporations and terrorist funding. 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 finance, law enforcement will be able to bring these criminals to justice and make our citizens and our nation safer.

—BUILDING ON A PROUD TRADITION—

On behalf of the more than 348,000 members of the Fraternal Order of Police, I want to thank this committee for its leadership on this issue and most of all, for its willingness to engage and work with the law enforcement community on the collection of beneficial ownership information. We strongly urge the committee to favorably report H.R. 2513 and, in so doing, 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 office.

Sincerely,

  
Chuck Canterbury  
National President