



NATIONAL FRATERNAL ORDER OF POLICE®

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

PATRICK YOES
NATIONAL PRESIDENT

JIM PASCO
EXECUTIVE DIRECTOR

27 June 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

Dear Mr. Chairman and Senator Brown,

I am writing on behalf of the members of the Fraternal Order of Police to advise you of our strong support for the “Anti-Money Laundering Act,” a pending amendment to the National Defense Authorization Act for Fiscal Year 2021. This comprehensive legislation provides much-needed tools to better combat money laundering, including the crucial collection of beneficial ownership information, and we urge the Committee to accept 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. Earlier in this 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.”

The Secretary’s remarks made it 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, 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

--BUILDING ON A PROUD TRADITION--



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. This legislation will help law enforcement by removing the mask that hides these illicit actors.

On behalf of the more than 351,000 members of the Fraternal Order of Police, I am proud to offer our support for this legislation. 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, stylized flourish extending to the right.

Patrick Yoes
National President

cc: The Honorable Michael D. Crapo, Chairman, Senate Committee on Banking, Housing, and Urban Affairs
The Honorable Sherrod C. Brown, Ranking Member, Senate Committee on Banking, Housing and Urban Affairs