

April 21, 2026

The Honorable French Hill
Chairman
Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

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

Re: Opposing the “Repealing Big Brother Overreach Act” (H.R. 425) and the Amendment in the Nature of a Substitute (ANS)

Dear Chairman Hill and Ranking Member Waters,

I served as the State Department’s first Coordinator on Global Anti-Corruption from 2022-2024. I was responsible for implementing the President’s National Strategy to Counter Corruption and, especially, for working with our international partners on the transnational threats created by corruption. In this capacity, we talked all the time about how malicious actors – terrorist groups, narcotics cartels, proliferators, and human traffickers – could exploit gaps in international defenses to engage in their illicit, threatening conduct. Our active efforts to counter corruption through investigations, sanctions, and arrests is an important component of our overall national security response. But, so is simple defense.

The Corporate Transparency Act (CTA) is part of the basic defenses that the United States erected to stop our country from being exploited by malicious actors. It requires a modest paperwork and notification process to the U.S. Financial Crimes Enforcement Network (FinCEN). But, CTA’s positive effects can be profound, enabling investigations and more generally making it harder for criminals to get inside our own system to undermine us from within.

The “Stop Big Brother Overreach Act” (HR 425) is a threat to all of that work. It seeks to blind us from the pernicious efforts of these actors to prevent a paperwork process that takes only a few minutes. Because, ultimately, all the CTA does is to require those who own companies to say that they own their companies. This information is not released to the public and is governed by the Privacy Act, per statute. In exchange, there is tremendous benefit that can be garnered by law enforcement investigators from being able to know who owns what companies in the United States, who is masquerading as an American, and who is just abusing our financial system. It reduces unnecessary costs and complexities for these investigations, enabling law enforcement to

concentrate on building cases and supporting prosecutions, while raising the costs and complexity for criminals seeking to exploit our financial system for their game.

Beneficial ownership transparency is common sense. It protects America.

I urge members of the committee to oppose the “Repealing Big Brother Overreach Act,” and the ANS that codifies Treasury’s harmful interim final rule (March 2025) implementing the CTA.

Thank you for the opportunity to comment. If you have questions, you can contact me at NephewRichardM@gmail.com.

Sincerely,

Richard Nephew