

May 7, 2019

The Honorable Maxine Waters  
Chairwoman  
U.S. House Committee on  
Financial Services  
2129 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Mike Crapo  
Chairman  
United States Senate Committee on  
Banking, Housing, and Urban Affairs  
512 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Patrick McHenry  
Ranking Member  
U.S. House Committee on  
Financial Services  
4340 O'Neill House Office Building  
Washington, D.C. 20024

The Honorable Sherrod Brown  
Ranking Member  
United States Senate Committee on  
Banking, Housing, and Urban Affairs  
512 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Chairwoman Waters, Ranking Member McHenry, Chairman Crapo, and Ranking Member Brown:

We urge the House Financial Services Committee and Senate Banking Committee to work towards ending the misuse of anonymous shell companies by passing the Corporate Transparency Act of 2019. A requirement for companies to report their beneficial ownership will help law enforcement identify and combat the use of real estate in money laundering. This is integral for efforts to modernize the United States anti-money laundering and countering the financing of terrorism (AML/CFT) regime.

States do not require companies to disclose their beneficial owners at the time of creation. This reduces the value of financial intelligence provided by banks, title insurance companies, and other financial institutions under their AML and geographic targeting order obligations. A single national repository, operated by law enforcement, would ensure FinCEN obtains valuable information about anonymous shell companies from the sources with the best knowledge.

The Corporate Transparency Act of 2019 would create a single repository at FinCEN to collect and record a corporation or LLC's beneficial ownership information. The information would be available through appropriate protocols, only to law enforcement, financial intelligence agencies and financial institutions with the consent of their customer. This system would provide law enforcement with a valuable tool for combating money laundering in real estate, without creating new compliance burdens for industry stakeholders.

We appreciate and thank you for your continued work on this vital issue.

Sincerely,  
American Escrow Association  
American Land Title Association  
National Association of REALTORS®  
Real Estate Services Providers Council, Inc. (RESPRO)