



National District Attorneys Association
1400 Crystal Drive, Suite 330, Arlington, VA 22202
703.549.9222 / 703.836.3195 Fax
www.ndaa.org

June 5, 2018

The Honorable Jeb Hensarling
Chairman
House Financial Services Committee
United States House
Washington, DC 20515

The Honorable Stevan Pearce
Terrorism and Illicit Finance Subcommittee Chairman
House Financial Services Committee
United States House
Washington, DC 20515

Dear Chairman Hensarling and Chairman Pearce,

On behalf of the National District Attorneys Association (NDAA), the largest prosecutor organization representing 2,500 elected and appointed District Attorneys across the United States as well as 40,000 Assistant District Attorneys, I write regarding the *Counter Terrorism and Illicit Finance Act* and the necessary inclusion of language providing for the collection of beneficial ownership information and making that information available to state and local law enforcement and prosecutors.

As end users of evidence collected throughout the investigative process, it is imperative that prosecutors have as much information as possible in order to determine the best course of action for prosecuting an individual or entity that has committed a crime. Beneficial ownership data collection is vital to this effort, and law enforcement and prosecutors must have access to that information when legally authorized by the court, including through criminal and administrative subpoenas.

At a somewhat alarming rate, our members are seeing increased use of shell corporations as fronts for various criminal activities including money laundering and fraud, often times by foreign nationals. Additionally, fraud and other laundering efforts impact local businesses and individuals, creating a direct connection to the well-being of the communities we serve. Obtaining owner information creates a critical information-sharing tool for law enforcement and prosecutors to investigate the real identity of individuals creating fronts for their illicit gains. Any attempt to restrict state and local law enforcement and prosecutors from accessing the beneficial ownership information demonstrates a fundamental misunderstanding that the majority of investigative work and prosecution takes place at the state and local level.

We appreciate your efforts on addressing this issue and hope you will take the above suggestions into consideration.

Sincerely,

Michael O. Freeman
President