

United States Senate

WASHINGTON, DC 20510

May 9, 2022

The Honorable Janet Yellen
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Ave NW
Washington, DC 20220

Himamauli Das
Acting Director
Financial Crimes Enforcement Network
P.O. Box 39
Vienna, VA 22183

Dear Secretary Yellen and Director Das:

We write to urge the Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) to swiftly implement the *Corporate Transparency Act* (CTA).

Passed by Congress last year, the CTA is landmark legislation to upgrade our country's anti-money laundering laws.¹ "For years, experts routinely ranked anonymous shell companies—where the true, 'beneficial' owners are unknown—as the biggest weakness in our anti-money laundering safeguards."² The CTA directly tackled this problem by requiring FinCEN to create a national registry of beneficial owners of companies within the United States, bolstering our nation's efforts to combat kleptocracy, transnational crime, terrorism, and other illicit activity.³

Vladimir Putin's invasion of Ukraine has only amplified the importance of the CTA. The federal government cannot properly implement sanctions against Putin and his oligarchs if it does not know the full extent of their holdings. But recent reporting suggests that the Treasury Department presently lacks this information, underscoring the urgent need for beneficial ownership disclosure as required by the CTA to protect America's financial stability and national security.⁴

Nevertheless, the Treasury Department has yet to finalize the implementation of the CTA—or even set a timetable for its completion. We appreciate that FinCEN is working with limited resources, and Congress is working to remedy that through the appropriations process. Still,

¹ William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Public Law 116-283, §§ 6401-6403, 134 Stat. 3388, 4604.

² FACT Coalition, "Landmark Bill Ending Anonymous U.S. Companies Is Enacted," press release, January 1, 2021, <https://thefactcoalition.org/landmark-bill-ending-anonymous-u-s-companies-is-enacted>.

³ William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Public Law 116-283, § 6403, 134 Stat. 3388, 4605.

⁴ Wall Street Journal, "The U.S. Sanctions a Russian Oligarch—but Exempts His Companies," Justin Scheck, Betsy McKay, and Rob Barry, March 30, 2022, <https://www.wsj.com/articles/u-s-ukraine-russia-sanctions-oligarch-exemptions-11648655430>.

over four months after the statutory deadline for implementation,⁵ FinCEN has only proposed one of its three CTA rules.⁶ In various hearings last month, both of you could only commit to proposing the second CTA rule by the end of “this year.”⁷ These delays run contrary to the clear instructions of Congress, undermine American efforts to respond to Russia’s war against Ukraine, and hinder broader efforts to protect the U.S. financial system against the threat of illicit finance.

For these reasons, we respectfully request that FinCEN immediately accelerate its implementation of the *Corporate Transparency Act* and provide an update and a detailed timeline on your efforts to do so no later than May 23, 2022.

Thank you for your attention to this important matter.

Sincerely,



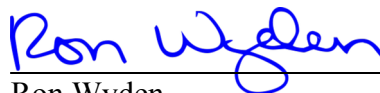
Elizabeth Warren
United States Senator



Sheldon Whitehouse
United States Senator



Marco Rubio
U.S. Senator



Ron Wyden
United States Senator

⁵ William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Public Law 116-283, § 6403(b)(5), 134 Stat. 3388, 4614.

⁶ The first rule covers the scope of the beneficial ownership information reported to FinCEN, while the second rule covers who can access the beneficial ownership registry and the third rule covers how to revise existing consumer due diligence rules to comply with the CTA. Financial Crimes Enforcement Network, Federal Register Notice, “Beneficial Ownership Information Reporting Requirements,” December 8, 2021, <https://www.federalregister.gov/documents/2021/12/08/2021-26548/beneficial-ownership-information-reporting-requirements>.

⁷ See YouTube, “Maloney Urges Sec Yellen to Speed Up Corporate Transparency Act Rule Making,” https://www.youtube.com/watch?v=gksBPSXT_5k; Written testimony of Himamauli Das to the U.S. House Committee on Financial Services, April 28, 2022, <https://financialservices.house.gov/uploadedfiles/hhrg-117-ba00-wstate-dash-20220428.pdf>.



Robert Menendez
United States Senator



Charles E. Grassley
United States Senator



Bill Cassidy, M.D.
United States Senator