



NATIONAL
ASSOCIATION of
REALTORS®

Elizabeth Mendenhall
2018 President

Bob Goldberg
Chief Executive Officer

ADVOCACY GROUP
Bill Malkasian, Chief Advocacy Officer

500 New Jersey Ave., NW
Washington, DC 20001-2020
Ph. 202-383-1194
WWW.NAR.REALTOR

January 17, 2018

The Honorable Blaine Luetkemeyer
Chairman
Subcommittee on Financial
Institutions and Consumer Credit
U.S. House of Representatives
Financial Services Committee
2230 Rayburn House Office Building
Washington, DC 20515

The Honorable Steve Pearce
Chairman
Subcommittee on Terrorism and
Illicit Finance
U.S. House of Representatives
Financial Services Committee
2432 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Luetkemeyer and Chairman Pearce:

On behalf of the 1.3 million members of the National Association of REALTORS® (NAR), I offer NAR's support for your draft bill, "The Counter Terrorism and Illicit Finance Act." REALTORS® appreciate the ongoing negotiations taking place to develop legislation that promotes national security and helps the U.S. Treasury's Financial Crimes Enforcement Network (FinCEN) mitigate risks posed to interstate and international commerce.

The National Association of REALTORS® supports policy efforts that make it harder for bad actors to infiltrate the U.S. financial system for illicit gains. NAR is eager to work with you to enact legislation that provides reasonable solutions to support Treasury's role in fighting terrorism and combatting money laundering. It is important that such solutions do not unfairly burden legitimate business entities and their daily operations.

NAR applauds the bill's provisions that increase information sharing to better protect against the misuse of corporations and limited liability companies to launder money via the U.S. economy, including in the nation's real estate markets. NAR believes the disclosure of beneficial ownership information at the time of company formation or transfer is less burdensome than other means and reduces the likelihood that U.S. shell companies can be used to hide illegal activities and assets. The bill's beneficial ownership provisions also would enable FinCEN and law enforcement officials to have access to crucial information to assist investigations of financial and other crimes stemming from illegal transactions.

NAR urges that careful consideration be given to address the legitimate privacy and data security concerns of these business entities. Clear definitions are necessary to minimize the unintended exposure of non-beneficial owners and guarantee that the most germane information is reported to FinCEN. Ensuring the protection of sensitive information is also critical in today's digital economy, which is why any collected information must be stored securely with limited access to protect the safety and interests of all parties. At the same time, enabling state agency access will also strengthen law enforcement investigations. To be most effective, business

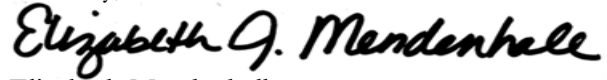


REALTOR® is a registered collective membership mark which may be used only by real estate professionals who are members of the NATIONAL ASSOCIATION OF REALTORS® and subscribe to its strict Code of Ethics.

entities must be confident in knowing that disclosed beneficial ownership information will not be misused or misappropriated, allowing focus to remain on lawful business operations and investment opportunities that promote economic growth.

REALTORS® appreciate the hard work done to improve the nation's efforts to combat money laundering and terrorist financing without imposing burdensome or unnecessary requirements on business entities. NAR looks forward to working with you and the Administration on this important endeavor.

Sincerely,

A handwritten signature in black ink that reads "Elizabeth G. Mendenhall". The signature is written in a cursive, flowing style.

Elizabeth Mendenhall

2018 President, National Association of REALTORS®