



United States House of Representatives
One Hundred Eighteenth Congress
Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

June 7, 2023

The Honorable Janet Yellen
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C, 20220

Mr. Himamauli Das
Acting Director
Financial Crimes Enforcement Network (FinCEN)
P.O. Box 39
Vienna, Virginia 22183

Dear Secretary Yellen and Acting Director Das:

We write today to express our concerns with the Financial Crimes Enforcement Network's (FinCEN) planned roll out to inform reporting companies of their forthcoming obligations to file beneficial ownership information with FinCEN. Specifically, we believe that press releases are insufficient to ensure that the approximately 32.6 million small business that will be expected to comply in 2024 understand their upcoming responsibilities.

As you know, the impending Beneficial Ownership Information collection rule will go into effect January 1, 2024. It is concerning that with six months until its effective date, FinCEN has yet to lay out a clear plan for engagement. It is highly unlikely that the 32 million small business owners know what FinCEN is let alone know to look for a press release on FinCEN's website. As a result, there is a real possibility that these small businesses could be held civilly or criminally liable for noncompliance.

To that end, we would like to better understand FinCEN's plans to educate small businesses. Please provide the following information A detailed outline of how FinCEN will work with stakeholders to educate reporting companies on their filing obligations and possible penalties for non-compliance.

1. A compliance guide for reporting companies to ensure they understand their responsibilities and a detailed plan to distribute the compliance guide.¹
2. A copy of any infographics that FinCEN plans to distribute to reporting companies.

¹ Section 212 of the Small Business Regulatory Flexibility Act (SBREFA) requires agencies to publish one or more compliance guides for each rule or group of related rules for which the agency is required to prepare a final regulatory flexibility analysis (FRFA) under the Regulatory Flexibility Act (RFA).

3. A detailed report on FinCEN's timeline for the finalization of Rule #2 "Access Rule" and Rule #3 "CDD Rule."
4. An outline of the challenges FinCEN has encountered with the aforementioned educational program, and future hurdles FinCEN foresees.
5. A detailed plan from the Treasury Department on how it will safeguard reporting companies from scammers and criminals using the beneficial ownership information collection process to obtain sensitive information from reporting companies.
6. An outline of how FinCEN will field calls from reporting companies and remediate issues that may arise. This outline should include estimates on additional staffing requirements and resources needed to properly educate and assist reporting company filing.
7. A detailed plan for reminder notifications for reporting companies that have not complied as the deadline approaches.
8. A compliance guide for reporting company updates and changes to beneficial ownership reporting information.
9. A detailed plan of your outreach to states and local governments via Domestic Liaisons to help educate small businesses.

We would appreciate your prompt attention to this request. Please respond no later than July 1, 2023.

Sincerely,



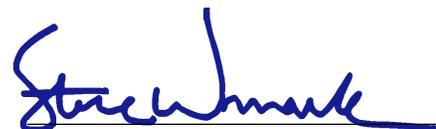
Patrick McHenry
Chairman of the House Committee
on Financial Services



Roger Williams
Chairman of the House Committee
on Small Business



Blaine Luetkemeyer
Chairman of the Subcommittee on
National Security, Illicit Finance,
And International Financial Institutions



Steve Womack
Chairman of the Subcommittee on
Financial Services and General
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