

S 2489

Incorporation Transparency and Law Enforcement Assistance Act

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Crime and Law Enforcement

Introduced: Feb 3, 2016

Current Status: Read twice and referred to the Committee on the Judiciary.

Latest Action: Read twice and referred to the Committee on the Judiciary. (Feb 3, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/2489>

Sponsor

Name: Sen. Whitehouse, Sheldon [D-RI]

Party: Democratic • State: RI • Chamber: Senate

Cosponsors (3 total)

| Cosponsor | Party / State | Role | Date Joined |
|---------------------------------|---------------|------|--------------|
| Sen. Feinstein, Dianne [D-CA] | D · CA | | Feb 3, 2016 |
| Sen. Grassley, Chuck [R-IA] | R · IA | | May 16, 2016 |
| Sen. Blumenthal, Richard [D-CT] | D · CT | | Sep 20, 2016 |

Committee Activity

| Committee | Chamber | Activity | Date |
|---------------------|---------|-------------|-------------|
| Judiciary Committee | Senate | Referred To | Feb 3, 2016 |

Subjects & Policy Tags

Policy Area:

Crime and Law Enforcement

Related Bills

| Bill | Relationship | Last Action |
|-------------|--------------|---|
| 114 HR 4450 | Related bill | Feb 3, 2016: Referred to the House Committee on Financial Services. |

Incorporation Transparency and Law Enforcement Assistance Act

This bill amends the Omnibus Crime Control and Safe Streets Act of 1968, in order to protect the United States from misuse affecting interstate or foreign commerce of corporations and limited liability companies with hidden owners, to require states receiving funding under the Edward Byrne Memorial Justice Assistance Grant Program to: (1) use an incorporation system that requires applicants for forming corporations or limited liability companies (corporations), and corporations that have formed, to provide and update lists of their beneficial owners; (2) maintain beneficial ownership information for five years after the corporation terminates; and (3) provide such information pursuant to certain criminal, civil, or administrative requests.

It authorizes a state that maintains a formal licensing system for formation agents to permit applicants or corporations to provide such information to an agent residing in that state instead of to that state directly. It requires such an agent to certify verification of specified identifying information for applicants or corporation owners or officers who do not have a non-expired U.S.-issued passport, drivers license, or identification card.

It specifies exempt entities. It also prescribes penalties for providing false or fraudulent beneficial ownership information or for willfully failing to provide complete or updated information.

The bill requires the Administrator for Federal Procurement Policy to revise the Federal Acquisition Regulation to require any contractor subject to the requirement to disclose beneficial ownership information under this bill to provide the information to the federal government as part of any bid for a contract with a value exceeding the simplified acquisition threshold.

It directs the Department of the Treasury to promulgate a rule requiring persons engaged in the business of forming corporations to establish anti-money laundering programs.

The Government Accountability Office must study and report on: (1) the extent to which states enable persons to form partnerships, trusts, charitable organizations, or other legal entities under state law and require such persons to provide beneficial owner information; and (2) the effectiveness of incorporation practices implemented under this bill in aiding law enforcement.

Actions Timeline

- **Feb 3, 2016:** Introduced in Senate
- **Feb 3, 2016:** Read twice and referred to the Committee on the Judiciary.