

115TH CONGRESS  
1ST SESSION

# H. R. 3544

To require the disclosure of beneficial ownership by a foreign person of aircraft registration, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 28, 2017

Mr. LYNCH (for himself, Mrs. CAROLYN B. MALONEY of New York, and Mr. KING of New York) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

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## A BILL

To require the disclosure of beneficial ownership by a foreign person of aircraft registration, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Aircraft Ownership  
5 Transparency Act of 2017”.

6 **SEC. 2. CERTIFICATION OF AIRCRAFT REGISTRATION.**

7 (a) IN GENERAL.—Before approving a certificate of  
8 registration issued under section 44103 of title 49, United  
9 States Code, with a covered entity, the Administrator of

1 the Federal Aviation Administration shall require the cov-  
2 ered entity to—

3 (1) identify each beneficial owner of the covered  
4 entity by—

5 (A) name;

6 (B) current residential or business street  
7 address;

8 (C) a unique identifying number from a  
9 nonexpired passport issued by the United  
10 States or a nonexpired drivers license issued by  
11 a State or if neither is available, a legible and  
12 credible copy of the pages of a nonexpired pass-  
13 port issued by the government of a foreign  
14 country bearing a photograph, date of birth,  
15 and unique identifying information for the per-  
16 son;

17 (D) nationality; and

18 (E) the make, model, and serial number of  
19 the aircraft to be registered;

20 (2) in the case of a covered entity that is owned  
21 or controlled by more than one entity, identify how  
22 each entity relates to every other entity, including  
23 the extent to which each entity holds an ownership  
24 interest in or exercises control over another entity,  
25 and the relationship of each such entity with the

1 beneficial owners who are natural persons; and in  
2 addition to each beneficial owner, identify each trust  
3 grantor, trustee, trust protector, and beneficiary  
4 owner of the covered entity that is a foreign person;

5 (3) in the case of a trust or association, identify  
6 the chain of control that includes the owner, trustee,  
7 and beneficiary; and

8 (4) disclose to the Administrator any beneficial  
9 owner of the covered entity that is a foreign person.

10 (b) TIMING.—

11 (1) IN GENERAL.—The Administrator shall re-  
12 quire a covered entity to provide the information de-  
13 scribed in subsections (a)(1) and (a)(2) when sub-  
14 mitting an application for aircraft certification.

15 (2) UPDATES.—The Administrator shall require  
16 a covered entity to update a submission of the infor-  
17 mation described in subsections (a)(1) and (a)(2)  
18 not later than 60 days after the date of any change  
19 in—

20 (A) the list of beneficial owners of the cov-  
21 ered entity; or

22 (B) the information required to be pro-  
23 vided relating to each such beneficial owner.

24 (c) DEFINITIONS.—In this section, the following defi-  
25 nitions apply:

1 (1) BENEFICIAL OWNER.—

2 (A) IN GENERAL.—Except as provided in  
3 subparagraph (B), the term “beneficial owner”  
4 means, with respect to a covered entity, each  
5 natural person who, directly or indirectly—

6 (i) exercises control over the covered  
7 entity through ownership interests, voting  
8 rights, agreements, or otherwise; or

9 (ii) has an interest in or receives sub-  
10 stantial economic benefits from the assets  
11 of the covered entity.

12 (B) EXCEPTIONS.—The term “beneficial  
13 owner” does not include, with respect to a cov-  
14 ered entity—

15 (i) a minor child;

16 (ii) a person acting as a trustee,  
17 nominee, intermediary, custodian, or agent  
18 on behalf of another person;

19 (iii) a person acting solely as an em-  
20 ployee of the covered entity and whose con-  
21 trol over or economic benefits from the  
22 covered entity derives solely from the em-  
23 ployment status of the person;

24 (iv) a person whose only interest in  
25 the covered entity is through a right of in-

1 heritance, unless the person also meets the  
2 requirements of subparagraph (A); or

3 (v) a creditor of the covered entity,  
4 unless the creditor also meets the require-  
5 ments of subparagraph (A).

6 (C) ANTI-ABUSE RULE.—The exceptions  
7 under subparagraph (B) shall not apply if used  
8 for the purpose of evading, circumventing, or  
9 abusing the requirements of this section.

10 (2) COVERED ENTITY.—The term “covered en-  
11 tity” means a person, trust, association, copartner-  
12 ship, corporation, or other public or private entity.

13 (3) FOREIGN PERSON.—The term “foreign per-  
14 son” means an individual who is not a United States  
15 person or an alien lawfully admitted for permanent  
16 residence into the United States.

17 (4) UNITED STATES PERSON.—The term  
18 “United States person” means a natural person who  
19 is a citizen of the United States or who owes perma-  
20 nent allegiance to the United States.

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