

115TH CONGRESS  
2D SESSION

# H. R. 6865

To direct the Comptroller General of the United States to conduct certain studies, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 24, 2018

Mr. KUSTOFF of Tennessee introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To direct the Comptroller General of the United States to conduct certain studies, 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 “Modernizing Illicit Fi-  
5       nancial Accountability and Reporting Act”.

6       **SEC. 2. STUDIES AND REPORTS.**

7       (a) **BENEFICIAL OWNERSHIP.**—Not later than 2  
8       years after the date of enactment of this Act, the Comp-  
9       troller General of the United States shall conduct a study  
10      and submit to the Congress a report—

1 (1) evaluating the effectiveness of the collection  
2 of beneficial ownership information under the final  
3 rule of the Department of the Treasury entitled  
4 “Customer Due Diligence Requirements for Finan-  
5 cial Institutions” (“CDD rule”) and published May  
6 11, 2016 (81 Fed. Reg. 29397), including—

7 (A) whether law enforcement agencies have  
8 had timely access to the information;

9 (B) the utility of such information in law  
10 enforcement investigations or prosecutions;

11 (C) an analysis of the reporting burden  
12 placed on financial institutions versus the utility  
13 of such information being made available to law  
14 enforcement; and

15 (D) whether further legislation is required  
16 to reduce regulatory burdens or increase the  
17 utility and timely access of such information to  
18 law enforcement;

19 (2) assessing the effectiveness of incorporation  
20 practices implemented under the CDD rule.

21 (b) COMPREHENSIVE COST-BENEFIT ANALYSIS.—

22 Not later than 2 years after the date of enactment of this  
23 Act, the Comptroller General of the United States shall  
24 conduct a study and submit to the Congress a report—

1           (1) providing a comprehensive quantitative and  
2 qualitative estimate of the annualized costs to the  
3 private sector to comply with the statutory and regu-  
4 latory requirements of the Bank Secrecy Act and re-  
5 lated anti-money laundering laws and regulations;

6           (2) providing a comprehensive qualitative and  
7 quantitative analysis of the effectiveness of the cur-  
8 rent anti-money laundering and counter terrorist fi-  
9 nancing framework in preventing, detecting, and  
10 prosecuting terrorist and illicit financing;

11           (3) providing a comprehensive qualitative and  
12 quantitative analysis of the benefits and costs to  
13 both the private sector and the Government of the  
14 private sector's compliance with the statutory and  
15 regulatory requirements of the Bank Secrecy Act  
16 and related anti-money laundering laws and regula-  
17 tions; and

18           (4) examining the costs borne and effect on ac-  
19 cess to financial services for consumers and cus-  
20 tomers as a result of financial institutions compli-  
21 ance with the statutory and regulatory requirements  
22 of the Bank Secrecy Act and related anti-money  
23 laundering laws and regulations.

24 **SEC. 3. DEFINITIONS.**

25 For purposes of this Act:

1           (1) BANK SECRECY ACT.—The term “Bank Se-  
2       crecy Act” means—

3           (A) section 21 of the Federal Deposit In-  
4       surance Act;

5           (B) chapter 2 of title I of Public Law 91–  
6       508; and

7           (C) subchapter II of chapter 53 of title 31,  
8       United States Code.

9           (2) FINANCIAL INSTITUTION.—The term “fi-  
10      nancial institution” has the meaning given that term  
11      under section 5312 of title 31, United States Code.

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