



H.Res. 206 - Acknowledging that the lack of sunlight and transparency in financial transactions and corporate formation poses a threat to our national security and our economy's security and supporting efforts to close related loopholes (Rep. Waters, D-CA)

FLOOR SCHEDULE:

Expected to be considered on March 13, 2019 under a suspension of the rules which requires 2/3 majority for final passage.

TOPLINE SUMMARY:

[H. Res. 206](#) is a House Resolution that acknowledges that transparency is necessary in U.S. financial institutions, and a lack thereof harms national and economic security.

COST:

A Congressional Budget Office (CBO) estimate is not available.

CONSERVATIVE CONCERNS:

Some conservatives may be concerned that this resolution uses general opposition to money laundering as a pretense to advocating for increasing regulatory burdens on financial and non-financial institutions. Further, conservatives may believe that unequivocally stating that a lack of transparency in financial transactions is a national security threat sets a dangerous precedent seemingly designed, again, to lead to increased federal disclosure mandates related to business ownership and private transactions.

Other conservatives may be concerned that this legislation is fruitless in some respects, in that financial institutions are already required to comply with the Bank Secrecy Act. Other conservatives may be concerned that this legislation alludes to other non-financial industry being required to comply with the Bank Secrecy Act, like real estate corporations and arts dealers.

- **Expand the Size and Scope of the Federal Government?** No.

- **Encroach into State or Local Authority?** No.
- **Delegate Any Legislative Authority to the Executive Branch?** No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No.

DETAILED SUMMARY AND ANALYSIS:

H. Res. 206 includes a detailed findings section regarding the complexity of U.S. financial institutions, statistics regarding money laundering, and the impact of money laundering on terrorist financing, citing statements from organizations that include left leaning non-profits and international organizations. It also acknowledges collaboration amongst the government and private institutions, but claims there remain further efforts needed in curtailing illicit money laundering. This legislation also acknowledges that dealers in arts and antiquities are not considered covered “financial institutions” under the [Bank Secrecy Act](#). The findings also recognize money flowing into the United States from Russian Oligarchs.

The resolution resolves, among other things, “that the lack of sunlight and transparency in financial transactions poses a threat to our national security and our economy’s security;” supports related regulatory efforts; encourages corporate transparency; and urges financial institutions to comply with the Bank Secrecy Act and related laws.

COMMITTEE ACTION:

H.Res. 206 was introduced on March 8, 2019 and was referred to the House Committee on Financial Services.

ADMINISTRATION POSITION:

A Statement of Administration Policy is not available.

CONSTITUTIONAL AUTHORITY:

A Constitutional Authority Statement is not required.

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