

April 4, 2016

The Honorable Jack Lew
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Shaun Donovan
Director
U.S. Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

The Honorable Jennifer Shasky Calvery
Director
U.S. Department of the Treasury
Financial Crimes Enforcement Network (FinCEN)
P.O. Box 39
Vienna, VA 22183

**Re: Anti-Money Laundering Requirements for Registered Investment Advisers
RIN 1506-AB10; Docket Number FINCEN-2014-0003**

Dear Secretary Lew, Director Donovan, and Director Shasky Calver:

We are writing to urge prompt action to finalize the proposed rule issued by the Financial Crimes Enforcement Network (FinCEN) to impose anti-money laundering and suspicious activity reporting requirements on registered investment advisers.¹ Finalizing this rule would ensure that these advisers, each of which manages \$100 million or more in assets, know their customers, report suspect transactions to law enforcement, and contribute to the work of the U.S. financial community to protect the United States from money launderers, terrorists, and other wrongdoers.

U.S. law already imposes anti-money laundering (AML) obligations on banks, securities firms, money service businesses, insurance firms, commodity brokers, and other members of the U.S. financial industry. Registered investment advisers that collectively bring billions of dollars into the U.S. financial system should be subject to the same obligations. Many already have voluntary programs; all have the means and sophistication to implement an AML program in compliance with the rule. Virtually all of the comment letters express support for the rule's objectives. Adopting the rule would also bring U.S. AML requirements in closer alignment with global practice and international AML standards.

In this last year of the Obama Administration, this proposed rule deserves priority attention for strengthening a key U.S. defense against money laundering that furthers terrorism, drug

¹ See 80 Fed.Reg. 169 (9/1/2015), at 52680.

trafficking, organized crime, and tax evasion. It would close a major, decade-old gap that has allowed hedge funds, private equity funds, and other big investment firms to accept substantial funds with no questions asked, to facilitate the transfer of offshore funds into the United States without determining their source, and to witness troubling transactions with no legal obligation to report them.

Thank you for your time and attention.

Sincerely,

AFL-CIO
American Federation of Teachers (AFT)
Americans for Financial Reform
Fair Share
Financial Accountability and Corporate Transparency (FACT) Coalition
Foundation Earth
Global Financial Integrity
Global Witness
Main Street Alliance
New Rules for Global Finance
Public Citizen