

118TH CONGRESS
2D SESSION

S. 5631

To amend title 31, United States Code, to provide for access to certain beneficial ownership information.

IN THE SENATE OF THE UNITED STATES

DECEMBER 19 (legislative day, DECEMBER 16), 2024

Mr. DAINES (for himself and Mr. VAN HOLLEN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend title 31, United States Code, to provide for access to certain beneficial ownership information.

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 “Ownership Clarity
5 Act”.

6 **SEC. 2. ACCESS TO BENEFICIAL OWNERSHIP INFORMA-**
7 **TION.**

8 Section 5336 of title 31, United States Code, is
9 amended—

1 (1) by redesignating subsection (j) as sub-
2 section (k); and

3 (2) by inserting after subsection (i) the fol-
4 lowing:

5 “(j) ACCESS TO BENEFICIAL OWNERSHIP INFORMA-
6 TION.—

7 “(1) DEFINITIONS.—In this subsection:

8 “(A) ACCESS LICENSE.—The term ‘access
9 license’ means a license to access beneficial
10 ownership information in accordance with this
11 subsection.

12 “(B) COVERED ENTITY.—The term ‘cov-
13 ered entity’ means a financial institution that
14 provides, or an entity that assists a financial in-
15 stitution in providing, screening services.

16 “(C) PERMITTED PERSONNEL.—The term
17 ‘permitted personnel’ means personnel of a cov-
18 ered entity who are permitted to access bene-
19 ficial ownership information in accordance with
20 this subsection.

21 “(D) PERMITTED PURPOSE.—The term
22 ‘permitted purpose’ means the use of beneficial
23 ownership information for screening services.

24 “(E) SCREENING SERVICES.—The term
25 ‘screening services’ means the risk management

1 procedures and activities undertaken by per-
2 mitted personnel for the protection of the
3 United States national security from inter-
4 national illicit actors and corrupt foreign offi-
5 cials who seek to exploit the financial systems
6 of the United States by engaging in illicit activ-
7 ity such as serious tax fraud, human and drug
8 trafficking, money laundering, financing ter-
9 rorism.

10 “(2) ACCESS LICENSES.—

11 “(A) IN GENERAL.—Notwithstanding any
12 other provision of this section, the Director
13 shall establish a process by which covered enti-
14 ties may apply to the Director for an access li-
15 cense.

16 “(B) DETERMINATION.—The Director may
17 not issue an access license to a covered entity
18 unless the Director determines that—

19 “(i) access to beneficial ownership in-
20 formation under this subsection is predi-
21 cated upon a reasonable concern for
22 United States national security and United
23 States economic stability, by identifying
24 international illicit actors and corrupt for-

1 eign officials and preventing international
2 illicit activity such as—

3 “(I) international terrorist fi-
4 nancing;

5 “(II) any activity engaged in by
6 an agent of the Government of Iran,
7 North Korea, Syria, or any other gov-
8 ernment the Secretary of State has
9 determined has repeatedly provided
10 support for acts of international ter-
11 rorism for purposes of—

12 “(aa) section
13 1754(c)(1)(A)(i) of the Export
14 Control Reform Act of 2018 (50
15 U.S.C. 4813(c)(1)(A)(i));

16 “(bb) section 620A of the
17 Foreign Assistance Act of 1961
18 (22 U.S.C. 2371);

19 “(cc) section 40(d) of the
20 Arms Export Control Act (22
21 U.S.C. 2780(d)); or

22 “(dd) any other provision of
23 law;

24 “(III) any activity engaged in by
25 any individual or entity included on

1 the list of specially designated nation-
2 als and blocked persons maintained by
3 the Office of Foreign Assets Control
4 of the Department of the Treasury; or

5 “(IV) any other illicit financial
6 conduct directly or indirectly sup-
7 porting a transnational criminal orga-
8 nization, transnational drug traf-
9 ficking organization, or transnational
10 money laundering organization;

11 “(ii) the covered entity limits access
12 to and use of the beneficial ownership in-
13 formation to permitted personnel of the
14 covered entity in connection with, or to
15 support, screening services; and

16 “(iii) the use, disclosure, and reten-
17 tion of the beneficial ownership informa-
18 tion is strictly limited to a permitted pur-
19 pose.

20 “(C) DURATION.—

21 “(i) IN GENERAL.—An access license
22 issued under this subsection shall expire on
23 the date that is 2 years after the date on
24 which the license is issued.

1 “(ii) RENEWAL.—An expired access li-
2 cense may be renewed for 2-year periods in
3 accordance with the process established
4 under this paragraph.

5 “(3) REGULATIONS.—The Director shall pro-
6 mulgate regulations governing the use, disclosure,
7 and retention of the beneficial ownership information
8 accessed pursuant to an access license issued under
9 this subsection.”.

○