

September 25, 2018

Dear Representatives:

We urge you to vote *against* H.R. 6729 when the measure is considered later this week. The legislation would allow the Treasury Department to expand the surveillance and sharing of Americans' financial records beyond what is provided for by the USA PATRIOT Act. The government has previously sought and Congress has rightly voted to reject such an expansion. Similar legislation in the 114th Congress, H.R. 5606, drew opposition from 177 members and failed on a suspension vote.

The legislation has broad applicability and significantly harmful effects that go far beyond its stated purpose of allowing financial institutions to combat human trafficking.

H.R. 6729 contains an overly broad provision that prohibits Treasury from requiring nonprofit organizations to show that they are sharing information in good faith and preempts liability for organizations under privacy laws. While the measure is described as allowing nonprofits to report suspicions of human trafficking or money laundering to financial institutions, it risks our privacy and raises concerns about the misuse of information.

In addition, **H.R. 6729 allows a wide range of institutions to communicate with each other about "suspicious" activities regardless of the basis for the suspicion and despite other applicable laws and consumer agreements.** The concerns need not be rooted in reality. Moreover, the safe harbor provision does not merely encompass traditional financial institutions like banks and financial services providers, but extends more broadly. This legislation also fails to establish any legal recourse for negligent or malicious acts.

H.R. 6729 would create the risk of financial institutions closing accounts of people they deem too risky to do business with on the basis of meritless or otherwise unsupported claims from nonprofit organizations. Every financial institution already has a legal obligation to file a "Suspicious Activity Report" with the government whenever it "knows, suspects, or has reason to suspect that an individual, entity, or organization is involved in or may be involved in terrorist activity or money laundering." It is an unfortunate fact that suspicions and accusations can be based on or motivated by personal, political, ethnic, racial, cultural, or religious animus. It is unacceptable to expand the scope of entities that can submit this information in a process that is broadly immunized from legal recourse.

This legislation goes far beyond the goal of combating human trafficking and significantly expands governmental surveillance, the impact of which falls most heavily and relentlessly on those who are the least able to defend themselves. Now is not the time to rush this legislation, introduced a mere two weeks ago, through a legislative procedure intended for uncontroversial bills.

Sincerely yours,

American Civil Liberties Union
American-Arab Anti-Discrimination Committee
Color Of Change
Defending Rights & Dissent
Demand Progress Action
Free Press Action
Freedom of the Press Foundation
Government Information Watch
New America's Open Technology Institute
Project On Government Oversight
X-Lab