



## **League of Women Voters Statement on HB 57 relating to Limited Liability Companies**

The League of Women Voters strongly supports the citizen's right to know. To that end, we are concerned about the problem of anonymous companies, also called the 'getaway cars' for financial crime and corruption.

Delaware is the home of corporate America and has built a strong reputation as a leader in developing and enforcing corporate law. We are the leading jurisdiction for out-of-state incorporations and the preferred location for foreign companies interested in a U.S. legal domicile. We have model corporate law and a great reputation for service, efficiency, and excellence.

With more legal entities than residents, our state has a responsibility to ensure that we stop allowing corporations to take advantage of our state's laws in order to facilitate drug smuggling, arms trafficking and anonymous campaign contributions; force foreclosures on ordinary Americans and launder the proceeds of overseas corruption.

Creation of anonymous companies was not a deliberate decision by legislators but rather an accident of creative lawyers who took advantage of gaps in the law. The Delaware legislature has the opportunity to address one of the issues involved.

We urge you to release HB 57 bill to ensure obedience to federal laws protecting national security and prevent the use of our Limited Liability Act by persons and nations identified by federal agencies as a threat to this country.

Thank you.