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The Financial Crimes Enforcement Network (FinCEN): Anti-Money Laundering Act of 2020 Implementation and Beyond

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The Financial Crimes Enforcement Network (FinCEN): Anti-Money Laundering Act of 2020 Implementation and Beyond

On January 1, 2021, Congress passed the Anti-Money Laundering Act of 2020 (AMLA) as Division F of the William M. (Mac) Thornberry National Defense Authorization Act (NDAA) for FY2021 (P.L. 116-283). AMLA amends and builds upon the existing anti-money laundering (AML) statutory framework, originally established under the Bank Secrecy Act in 1970 (BSA; P.L. 91-508). AMLA also contains the Corporate Transparency Act (CTA; Title LXIV of Division F of the FY2021 NDAA), which for the first time imposes a federal requirement for identifying beneficial owners of certain legal entities. AMLA represents one of the most comprehensive efforts in recent decades to modernize the U.S. government’s regulatory architecture for AML, combat the financing of terrorism (CFT), and detect other financial crime activity. Its impact, however, has been shaped by executive branch implementation actions.

Among its most significant objectives, AMLA contains provisions to

- establish new federal-level beneficial ownership disclosure and transparency requirements;
- expand the BSA’s purpose and mandate a review of the AML/CFT regulatory framework;
- promote public-private partnership and engagement opportunities on AML/CFT matters;
- introduce new staffing options and programs to enhance AML/CFT expertise;
- promote international cooperation on financial crime matters, while protecting financial intelligence from misuse;
- strengthen enforcement tools to deter money laundering and other forms of financial crime;
- invigorate BSA whistleblower provisions; and
- expand the BSA’s regulatory scope to include businesses that provide services involving “value that substitutes for currency.”

The Financial Crimes Enforcement Network (FinCEN) is the primary federal agency responsible for implementing many of AMLA’s provisions. A bureau of the U.S. Department of the Treasury, FinCEN plays a leading role in protecting the U.S. financial system from illicit financial threats through its mission to collect and maintain a repository of financial intelligence from financial institutions and then analyze and disseminate this information to law enforcement agencies in support of investigations pursuing perpetrators of criminal activity. As one of the primary regulators and administrators of the BSA, FinCEN also has a leading role in AMLA’s implementation. AMLA has tasked the Secretary of the Treasury, often in practice acting through the Director of FinCEN, to promulgate multiple federal rulemakings to strengthen and improve the AML/CFT regulatory regime, issue multiple reports, and take other programmatic and personnel actions.

Some Members of Congress and other policy observers and stakeholders have been monitoring FinCEN’s progress in implementing AMLA, including the CTA. AMLA specifies deadlines for many of its implementation tasks—some of which, including the CTA’s directive for FinCEN to establish a federal database for identifying the beneficial owners of certain corporate entities, are substantively and politically challenging to achieve. Section 6509 of AMLA authorizes appropriations for AMLA implementation through FY2026 and the Trump Administration has proposed more than \$17.5 million in FY2026 funding for “further AMLA implementation and administration priorities.”

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Introduction

On January 1, 2021, Congress passed the Anti-Money Laundering Act of 2020 (AMLA), which encompassed the most sweeping reforms to U.S. anti-money laundering (AML) policy in recent decades. Contained within the William M. (Mac) Thornberry National Defense Authorization Act (NDAA) for FY2021 (Division F, P.L. 116-283), AMLA spans 59 provisions, including a distinct title known as the Corporate Transparency Act (CTA; Title LXIV).¹ These provisions aimed to significantly update and expand aspects of the existing policy framework for anti-money laundering and combating the financing of terrorism (AML/CFT), originally established under the Bank Secrecy Act (BSA) in 1970.²

The primary federal agency responsible for implementing the majority of AMLA’s provisions is the Financial Crimes Enforcement Network (FinCEN). A bureau of the Department of the Treasury, FinCEN is also known as the U.S. government’s financial intelligence unit (FIU).³ Soon after its enactment in 2021, FinCEN described AMLA implementation as a “top priority” for the agency.⁴ For FY2026, the Trump Administration continued to seek resources for FinCEN to support further AMLA implementation as well as other administration priorities.⁵ In a significant regulatory change, on March 26, 2025, FinCEN issued an interim final rule stating that U.S. domestic reporting companies and U.S. persons do not need to report Beneficial Ownership Information (BOI) under the CTA.⁶

Some Members of Congress and other policy observers and stakeholders are monitoring FinCEN’s progress in implementing AMLA, including the CTA. To this end, AMLA requires the FinCEN Director to testify before Congress on an annual basis for five years, beginning in 2022, on AMLA implementation (§6403).

After providing a brief overview on FinCEN and the underlying policy rationales that contributed to AMLA’s enactment, this report focuses on identifying AMLA’s key provisions—and the status of AMLA-related rulemaking and reporting requirements to be implemented by the Treasury Department, chiefly FinCEN. The report concludes with a discussion of selected issues for congressional oversight and further legislative action, including funding (AMLA authorized but did not appropriate funding for its implementation), the CTA, and other changes to FinCEN’s policy priorities.

¹ Apart from the Anti-Money Laundering Act of 2020 (AMLA), the FY2021 NDAA contained additional provisions on financial services matters in Title XCVII of Division H (§§9701-9724), which included subtitles on the Kleptocracy Asset Recovery Rewards Act (Subtitle A) and the Combating Russian Money Laundering Act (Subtitle B).

² The Currency and Foreign Transactions Reporting Act of 1970, commonly referred to as the Bank Secrecy Act (BSA), is the foundational statutory basis for the U.S. regime for anti-money laundering. Several acts have amended the BSA, including the Money Laundering Control Act of 1986 (Title I, Subtitle H of P.L. 99-570), the Annunzio-Wylie Anti-Money Laundering Act (Title XV of P.L. 102-550), the Money Laundering Suppression Act of 1994 (Title IV of P.L. 103-325), the Money Laundering and Financial Crimes Strategy Act of 1998 (P.L. 104-310), the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001 (Title III of P.L. 107-56), and the Anti-Money Laundering Act of 2020 (Division F of P.L. 116-283). Collectively, the BSA is codified at 12 U.S.C. §§1829b, 1951-1960 and 31 U.S.C. §§5311-5314, 5316-5336.

³ U.S. Department of the Treasury, *Bureaus*, <https://home.treasury.gov/about/bureaus>.

⁴ Financial Crimes Enforcement Network (FinCEN), *Message from the FinCEN Director: 180-Day Update on AML Act Implementation*, June 30, 2021.

⁵ U.S. Department of the Treasury, *Congressional Budget Justification, FY2026, Financial Crimes Enforcement Network*, <https://home.treasury.gov/system/files/266/11.-FinCEN-FY-2026-CJ.pdf>.

⁶ Financial Crimes Enforcement Network, “Beneficial Ownership Information Reporting Requirement Revision and Deadline Extension,” 90 *Federal Register* 13688, March 26, 2025.

Background

FinCEN has described AMLA as a “landmark piece of legislation” that provides FinCEN a “leading role” in strengthening the U.S. AML/CFT architecture.⁷ This section provides an overview of FinCEN and provides context for several primary policy rationales that contributed to AMLA’s enactment—a desire for BSA “modernization” and FinCEN “transformation” as well as domestic and international pressure to address perceived AML/CFT gaps in corporate transparency.

FinCEN: An Overview

FinCEN plays a key role in the Secretary of the Treasury’s overall stewardship of U.S. economic and financial systems and related policy, particularly with respect to AML/CFT policy. FinCEN’s mission is “to safeguard the financial system from illicit use, combat money laundering and its related crimes including terrorism, and promote national security through the strategic use of financial authorities and the collection, analysis, and dissemination of financial intelligence.”⁸ For FY2025, FinCEN’s budgetary resources totaled approximately \$299.5 million, including approximately \$190.2 in new appropriated resources.⁹

FinCEN was established in 1990 to exercise AML regulatory functions under the BSA. Its responsibilities include developing regulations and related policies that require banks and other financial institutions to safeguard the U.S. financial system from illicit activity. In addition to its responsibilities for BSA oversight and rulemakings, FinCEN engages with the private sector, federal regulators, law enforcement, and the international community on AML/CFT matters. As the U.S. FIU, FinCEN also engages with counterparts around the world through the Egmont Group to share information and expertise in support of U.S. and foreign financial crime investigations.¹⁰

As part of its mission, FinCEN collects and maintains a central repository of financial intelligence (e.g., financial transaction data, including suspicious activity reports and currency transaction reports) from financial institutions. In FY2024, FinCEN received almost 28 million BSA filings—similar to the amount received in FY2023.¹¹ FinCEN analyzes and disseminates such information to law enforcement agencies in support of investigations pursuing perpetrators of white collar crime; drug trafficking and other transnational criminal activity; and terrorism and other matters of national security concern.¹² The “follow the money” approach to federal criminal

⁷ FinCEN, *Prepared Remarks of FinCEN Deputy Director Anna Lou Tirol, Delivered Virtually at AML Intelligence’s Women in FinCrime Event*, March 3, 2022.

⁸ FinCEN, *Mission*, <https://www.fincen.gov/about/mission>.

⁹ U.S. Department of the Treasury, *Congressional Budget Justification, FY2026, Financial Crimes Enforcement Network*, p. 4.

¹⁰ Egmont Group, *About the Egmont Group*, <https://egmontgroup.org/about/>.

¹¹ U.S. Department of the Treasury, *Congressional Budget Justification and Annual Performance Plan and Report, FY2025, Financial Crimes Enforcement Network*, p. 17; *Congressional Budget Justification, FY2026, Financial Crimes Enforcement Network*, p. 10.

¹² Although FinCEN has the authority to issue civil money penalties, it does not have criminal investigative or arrest authorities. Instead, FinCEN uses its data analysis capabilities to support investigations and prosecutions of financial crimes, and refers possible cases to law enforcement authorities when warranted. It also submits requests for information to financial institutions from law enforcement agencies conducting criminal investigations. One example of FinCEN’s analytical function is its Financial Institution Advisory Program, through which FinCEN issues public and nonpublic advisories on illicit finance threats. Section 6206 of the AMLA expands upon this analytical function to require FinCEN to issue periodic financial threat analyses.

investigations, built in part on the basis of financial intelligence collected by FinCEN and accessed by various law enforcement agencies, has reportedly contributed to a substantial number of money laundering-related convictions.¹³

The FinCEN Director reports to the Under Secretary of the Treasury for Terrorism and Financial Intelligence (TFI) and the Secretary-appointed position is not subject to Senate confirmation.¹⁴ The current FinCEN Director, Andrea Gacki, has been in the position since July 2023, after serving as Director of the Office of Foreign Assets Control (OFAC) for several years.

BSA “Modernization” and FinCEN “Transformation”

AMLA was the culmination of multiple statutory proposals introduced in the 116th Congress intended to comprehensively strengthen and modernize FinCEN’s AML/CFT capabilities.¹⁵ As noted in the joint explanatory statement published in the conference report accompanying the FY2021 NDAA (H.Rept. 116-617),

The conferees note that the current Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) regulatory framework is an amalgamation of statutes and regulations that are grounded in the Bank Secrecy Act (BSA) (21 U.S.C. 5311 et seq.), which the Congress enacted in 1970. This decades-old regime, which has not seen comprehensive reform and modernization since its inception, is generally built on individual reporting mechanisms (i.e., currency transaction reports (CTRs) and suspicious activity reports (SARs)) and contemplates aging, decades-old technology, rather than the current, sophisticated AML compliance systems now managed by most financial institutions. The provisions ... [in AMLA] comprehensively update the BSA for the first time in decades and provide for the establishment of a coherent set of risk-based priorities.¹⁶

In line with the mandates enacted by AMLA, then-Acting FinCEN Director Him Das described the agency’s efforts to implement “transformation of the [AML/CFT] regulatory regime *writ large*.”¹⁷

¹³ During the 2010-2014 timeframe, the Financial Action Task Force (FATF) reported that the United States averaged approximately 1,200 money laundering-related convictions each year. See Financial Action Task Force, *United States: Mutual Evaluation Report, Anti-Money Laundering and Counter-Terrorist Financing Measures*, December 2016, pp. 64-65.

¹⁴ U.S. Department of the Treasury, *Terrorism and Financial Intelligence*, <https://home.treasury.gov/about/offices/terrorism-and-financial-intelligence>.

¹⁵ As described in the joint explanatory statement published in the conference report accompanying the FY2021 NDAA, the enacted AMLA provisions drew from several bills in the 116th Congress, including H.R. 2513, the Corporate Transparency Act of 2019, which passed the House and was included in the House-passed version of the FY2021 NDAA (Division F, H.R. 6395); H.R. 2514, the Coordinating Oversight, Upgrading and Innovating Technology, and Examiner Reform Act of 2019 (the COUNTER Act of 2019), which passed the House and was included in the House-passed version of the FY2021 NDAA (Division G, H.R. 6395); H.R. 7592, the Stopping Trafficking, Illicit Flows, Laundering, and Exploitation Act of 2020 (the STIFLE Act of 2020), which passed the House and was included in the House-passed version of the FY2021 NDAA (Division L, H.R. 6395); S. 2563, the Improving Laundering Laws and Increasing Comprehensive Information Tracking of Criminal Activity in Shell Holdings Act (ILLICIT CASH Act); S. 1889, the True Incorporation Transparency for Law Enforcement Act (the TITLE Act); S. 1883, the Combating Money Laundering, Terrorist Financing, and Counterfeiting Act of 2019; and S. 1978, the Corporate Transparency Act of 2019. See *Joint Explanatory Statement of the Committee of Conference*, beginning on p. 1517 of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Conference Report to Accompany H.R. 6395, H.Rept. 116-617, December 3, 2020, pp. 2136-2137.

¹⁶ *Ibid.*, p. 2137.

¹⁷ FinCEN, *Prepared Remarks of FinCEN Acting Director Him Das, Delivered Virtually at the American Bankers Association/American Bar Association Financial Crimes Enforcement Conference*, January 13, 2022.

Until recently, the overarching legal foundation of our regime was an artifact of the moment it was most recently updated—in the wake of 9/11—and like most 21-year-old things, it has not entirely kept up with the times. Just as earlier incarnations of the Bank Secrecy Act were laser-focused on countering drug-related financial flows, the updates in the USA PATRIOT Act really emphasized disrupting the money flows of groups like al Qaida. It never anticipated the challenges of the 2020s: digital assets, strategic corruption, an explosion of kleptocrats hiding their wealth in American shell companies, or artificial intelligence [AI] that could help us recognize these crimes and others.

And although there has been important work through regulation, rulemaking, and guidance to keep pace with evolving risks, our legal foundation was in many respects built, as the aphorism goes, “to fight the last war.” Or at least that was the case until 2021, when Congress passed the Anti-Money Laundering Act of 2020, or the AML Act.

The AML Act ... touched off a new, post-post-9/11 era for anti-money laundering, giving FinCEN the authority to, quote, “streamline, modernize, and update the AML/CFT regime of the United States,” and that, indeed, is what we are doing.

... FinCEN is helping transform our nation’s AML/CFT regime from post-9/11 to post-pandemic; from al Qaida to AI and digital assets... .

In September 2025 testimony to the House Financial Services Committee’s Subcommittee on National Security, Illicit Finance, and International Financial Institutions, FinCEN Director Gacki noted the continued importance of modernizing the U.S. AML regime with urgency.¹⁸

FinCEN recognizes that there is an urgent need to modernize the AML/CFT regime in the United States so that it is effective, risk-based, and focused on the greatest threats to financial institutions and national security. In furtherance of this effort, FinCEN is working with our Treasury colleagues to change the AML/CFT status quo so that the framework focuses on our national security priorities and highest risk areas and explicitly permits financial institutions to de-prioritize lower risks. In line with the AML Act’s directive, this includes an acknowledgement that financial institutions must be permitted to direct more attention and resources toward higher-risk customers and activities, consistent with an institution’s risk profile, rather than toward lower-risk customers and activities.

Another area where we need to modernize the BSA regime is reporting, especially SARs [suspicious activity reports] and Currency Transaction Reports (CTRs)... We are currently exploring ways to streamline SAR and CTR reporting, including by improving the forms, which will be beneficial for law enforcement and national security data users, as well as for filers.

Historical Background on Corporate Transparency, Beneficial Ownership Disclosure, and Illicit Financial Flows

Historically, a key money laundering vulnerability of the international financial system has been the ability for individuals to create certain legal entities, including in the United States, without having to consistently disclose and update beneficial ownership information (i.e., identifying information of the natural persons who own or control legal entities). Moreover, where beneficial disclosure requirements have existed, they have differed across jurisdictions, including with respect to the role of the government in collecting such information and whether such information is publicly accessible.

¹⁸ FinCEN Director Andrea Gacki, prepared statement for a hearing held by the House Committee on Financial Services, Subcommittee on National Security, Illicit Finance, and International Financial Institutions, *Evaluating the Financial Crimes Enforcement Network*, September 9, 2025.

In 2005, for example, the U.S. Money Laundering Threat Assessment identified misuse of shell companies and trusts as a key vulnerability to the U.S. financial system:

Legal entities such as shell companies and trusts are used globally for legitimate business purposes, but because of their ability to hide ownership and mask financial details they have become popular tools for money launderers.

The use of these legal structure for money laundering is well-established. The United Nations noted in a 1998 report that “the principal forms of abuse of secrecy have shifted from individual bank accounts to corporate bank accounts and then to trust and other corporate forms that can be purchased readily without even the modest initial and ongoing due diligence that is exercised in the banking sector.”

The competition among certain states to attract legal entities to their jurisdictions has created a “race to the bottom,” and a real money laundering threat.¹⁹

A key U.S. AML/CFT regulatory regime weakness, according to Treasury’s February 2024 National Money Laundering Risk Assessment, is lack of legal entity ownership transparency and timely access to beneficial ownership information:

Lack of transparency in legal entity ownership structures has continued to be a challenge for U.S. law enforcement agencies, requiring time and resource-intensive processes to obtain beneficial ownership information (BOI) ...

In the United States, criminals have historically been able to take advantage of the lack of uniform laws and regulations pertaining to the disclosure of BOI to law enforcement... [T]he lack of timely access to high-quality BOI and BOI disclosure requirements at the time of a legal entity’s creation or registration has continued to hamper law enforcement investigations, which is why the Treasury continues to prioritize the implementation of the Corporate Transparency Act (CTA).²⁰

This AML/CFT vulnerability has placed the United States under both domestic and international pressure, including from the Financial Action Task Force (FATF)—a key intergovernmental AML/CFT standard-setting body, of which the United States was a founding member, to tighten its AML/CFT regime with respect to beneficial ownership disclosure requirements.²¹ Building on its 2006 criticism of the U.S. government’s AML/CFT regime, FATF’s 2016 review of the U.S. government’s AML/CFT regime reiterated that the “[l]ack of timely access to adequate, accurate and current beneficial ownership (BO) information remains one of the fundamental gaps in the U.S. context.”²² A July 2018 FATF report on the *Concealment of Beneficial Ownership* also flagged the use of informal nominees, or “straw men” as nominee shareholders or directors, as a key means of hiding the identities of beneficial owners by criminals.²³ A 2022 FATF report on the global implementation status of AML/CFT best practices flagged ongoing difficulties in implementing effective beneficial ownership disclosure policies.²⁴ At various times between the

¹⁹ U.S. Department of the Treasury, U.S. Department of Justice, U.S. Department of Homeland Security, Board of Governors of the Federal Reserve System, U.S. Postal Service, “Chapter 8: Shell Companies and Trusts,” *Money Laundering Threat Assessment*, pp. 47-48.

²⁰ U.S. Department of the Treasury, *National Money Laundering Risk Assessment*, February 2022, p. 1.

²¹ See also U.S. rankings in the Basel Institute on Governance, *Basel AML Index 2021*, September 2021, and the Tax Justice Network, *Financial Secrecy Index 2022*, <https://fsi.taxjustice.net/>.

²² FATF, *United States: Mutual Evaluation Report, Anti-Money Laundering and Counter-Terrorist Financing Measures*, December 2016, p. 4.

²³ FATF and the Egmont Group of Financial Intelligence Units, *Concealment of Beneficial Ownership*, July 2018, p. 6.

²⁴ FATF, *Report on the State of Effectiveness and Compliance with the FATF Standards*, April 2022. As described on page 6 of the executive summary, “FATF standards cover requirements for transparency in beneficial ownership as (continued...)”

110th Congress and the passage of AMLA in January 2021, legislation was introduced to address concerns raised by the U.S. government, including federal law enforcement, domestic observers, and international evaluators, about the lack of beneficial ownership transparency among certain U.S.-established legal entities.²⁵ AMLA sought to build on those efforts to enact a mandate for federal beneficial ownership disclosure and information collection in the United States.

AMLA: Key Provisions

Division F of the FY2021 NDAA (P.L. 116-283) is the Anti-Money Laundering Act of 2020. AMLA is composed of five distinct titles:

- Title LXI—Strengthening Treasury Financial Intelligence, Anti-Money Laundering, and Countering the Financing of Terrorism Programs
- Title LXII—Modernizing the Anti-Money Laundering and Countering the Financing of Terrorism System
- Title LXIII—Improving Anti-Money Laundering and Countering the Financing of Terrorism Communication, Oversight, and Processes
- Title LXIV—Establishing Beneficial Ownership Information Reporting Requirements (the Corporate Transparency Act or CTA)
- Title LXV—Miscellaneous

Key AMLA provisions include the following:

- **Establishing beneficial ownership disclosure and transparency.** Within AMLA is the Corporate Transparency Act (Title LXIV of Division F of the FY2021 NDAA; §§6401-6403), which for the first time imposed a federal requirement for identifying beneficial owners of certain legal entities (i.e., the natural persons who own or control, directly or indirectly, such entities).
- **Expanding the BSA’s purpose and mandating a review of the AML/CFT regulatory framework.** AMLA codified an expansion the BSA’s stated purpose to include preventing illicit financial activity from harming the U.S. financial system and national security (§6101).²⁶ Correspondingly, AMLA mandates potentially significant rulemaking changes to core aspects of the existing AML/CFT regulatory framework, including revising or eliminating “outdated” or

anonymous shell companies are one of the most widely used methods for laundering the proceeds of crime and corruption. Today, just about half (52%) of assessed jurisdictions have adequate laws and regulatory structures in place. However, countries are not effectively implementing these laws with only 9% of countries substantially effective in this area. Countries need to prioritize their efforts and demonstrate improvements in recording, reporting and verifying information regarding legal persons and arrangements.”

²⁵ See, for example, the Incorporation Transparency and Law Enforcement Assistance Act (S. 2956), introduced by Senator Carl Levin in the 110th Congress on May 1, 2008.

²⁶ See, for example, Section 6101(a) of the AMLA, which repealed the prior Section 5311 of Title 31 of the *U.S. Code* and replaced it with a new declaration of purpose for the BSA that included, in addition to requiring the filing of certain “highly useful” reports and maintenance of certain “highly useful” records, four additional purposes: (1) to prevent money laundering and terrorist financing “through the establishment by financial institutions of reasonably designed risk-based [AML/CFT] programs”; (2) to “facilitate the tracking” of criminally derived money or money “intended to promote criminal or terrorist activity”; (3) to conduct money laundering, terrorism finance, tax evasion, and fraud risk assessments to protect the U.S. financial system from criminal abuse and safeguard U.S. national security”; and (4) to “establish appropriate frameworks for information sharing among financial institutions, their agents and service providers, their regulatory authorities, associations of financial institutions, the Department of the Treasury, and law enforcement authorities.”

- “redundant” regulations and enhancing opportunities for financial institutions to enhance their compliance programs through technological innovation (§6216).
- **Promoting public-private partnership and engagement opportunities.** AMLA codifies opportunities for public-private information sharing, including through a “FinCEN Exchange” (§6103), a new Subcommittee on Innovation and Technology under the Bank Secrecy Act Advisory Group (§6207), a Financial Crimes Tech Symposium (§6211), and other mechanisms (e.g., §6214 on “encouraging information sharing and public-private partnerships” and §6306 on “cooperation with law enforcement”).
 - **Introducing new staffing options and programs.** AMLA directs the establishment of an interagency AML/CFT personnel rotation program (§6104), authorizes special hiring authorities for the appointment of certain officials (§6105), codifies a Treasury financial attaché program (§6106), and requires FinCEN to maintain a cadre of analytical experts who can collaborate with other federal agencies (§6304). AMLA also creates new staff positions for domestic FinCEN liaisons (§6107), foreign financial intelligence unit liaisons (§6108), BSA innovation officers (§6208), and BSA information security officers (§6303).
 - **Promoting international cooperation on financial crime matters, while protecting financial intelligence from misuse.** AMLA directs the Department of the Treasury to increase technical assistance (§6111) and international coordination (§6112) with foreign countries to promote compliance with international AML/CFT standards and best practices, as well as stronger AML legal frameworks and enforcement. AMLA also authorizes a pilot program in which financial institutions subject to U.S. jurisdiction may share SAR information with their foreign branches, subsidiaries, and affiliates (§6212).
 - **Strengthening enforcement tools to deter money laundering and other forms of financial crime.** AMLA formalizes a mandate to collect data on how BSA reports contribute to actionable investigative leads and prosecution success (§6201). Among other provisions, AMLA also authorizes the application of additional civil penalties for repeat BSA violators (§6309), bars certain BSA violators from serving on boards of U.S. financial institutions (§6310), and adds a new prohibition on the concealment of the source of assets in monetary transactions (§6313). AMLA also authorizes the Secretary of the Treasury and the Attorney General to subpoena records from any foreign bank that maintains a U.S. correspondent account (§6308).
 - **Invigorating BSA whistleblower provisions.** Modeled in part on the Securities and Exchange Commission’s whistleblower program enacted as part of the Dodd-Frank Act in 2010, AMLA significantly revised BSA whistleblower provisions to increase the potential reward amount for whistleblower disclosures, expand who can qualify as a whistleblower, and provide whistleblowers protections against retaliation (§6314). Amendments to the provision in 2022 further expanded whistleblower protections.²⁷ On February 13, 2026, FinCEN announced the launch of a webpage dedicated to “confidentially accept whistleblower tips on fraud, money laundering, and sanctions violations.”²⁸

²⁷ Section 401 of the Consolidated Appropriations Act, 2023 (P.L. 117-328).

²⁸ See <https://www.fincen.gov/whistleblower-program>. See also FinCEN, “FinCEN Whistleblower Bulletin: Blow the Whistle on Fraud-Related AML and Sanctions Violations,” February 13, 2026.

- **Expanding the BSA’s regulatory scope to include businesses that provide services involving “value that substitutes for currency.”** AMLA clarifies that financial agencies and financial institutions (including currency exchanges and money transmitting businesses) covered by the BSA include businesses that provide services related to “value that substitutes for currency” (§6102(d)). Examples of value that may substitute for currency could include some digital assets and virtual currencies. AMLA also redefines “monetary instruments” to include “value that substitutes for any monetary instrument” otherwise already defined in current law.

AMLA Implementation: Rulemakings

A primary aspect of early AMLA implementation has centered on AML/CFT rulemakings, including those required to implement the CTA. This section provides an overview of significant AMLA provisions for which rulemakings may be required for full implementation—and includes information on the status of such rulemakings. While some rulemakings are in progress, others appear delayed or withdrawn. Additionally, FinCEN remains in the process of finalizing several other significant AML-related regulations that predate or are otherwise not specified in AMLA.²⁹

The CTA and Beneficial Ownership Disclosure

In 2021, for the first time, Congress established a federal requirement that legal entities provide the federal government with information regarding their beneficial owners. The CTA’s Section 6403, among other provisions, amended the Bank Secrecy Act to add a new Section 5336, “Beneficial Ownership Information Reporting Requirements,” to Subchapter II of Chapter 53 of Title 31 of the *United States Code*.³⁰

Pursuant to the CTA, those forming certain new legal entities and those owning certain existing entities are required to provide their full legal name, date of birth, current residential or business street address, and a copy of an acceptable identification document for *natural persons* who own or control such entities, subject to the definitions. In the CTA, the term *beneficial owner* is

²⁹ Such proposals seek to address AML/CFT concerns regarding topics such as real estate transaction reports and records, the “meaning of ‘money’ as used in the rules implementing the BSA”—including with respect to convertible virtual currency (e.g., cryptocurrency) and digital assets with legal tender status, and changes to the definition of brokers and dealers in securities to include funding portals for crowd funding. See FinCEN, *Anti-Money Laundering Program Requirements for “Persons Involved in Real Estate Closings and Settlements*, advance notice of proposed rulemaking (ANPRM), published in the *Federal Register*, vol. 68, no. 69, April 10, 2003, pp. 17569-17571; FinCEN, *Anti-Money Laundering Regulations for Real Estate Transactions*, ANPRM, published in the *Federal Register*, vol. 86, no. 233, December 8, 2021, pp. 69589-69602; FinCEN, *Anti-Money Laundering Regulations for Real Estate Transactions*, ANPRM, published in the *Federal Register*, vol. 87, no. 26, February 8, 2022, pp. 7068-7069; Board of Governors of the Federal Reserve System and FinCEN, *Threshold for the Requirement to Collect, Retain, and Transmit Information on Funds Transfers and Transmittals of Funds that Begin or End Outside the United States, and Clarification of the Requirement to Collect, Retain, and Transmit Information on Transactions Involving Convertible Virtual Currencies and Digital Assets with Legal Tender Status*, joint notice of proposed rulemaking, published in the *Federal Register*, vol. 85, no. 208, October 27, 2020, pp. 68005-68019; FinCEN, *Requirements for Certain Transactions Involving Convertible Virtual Currency or Digital Assets*, notice of proposed rulemaking (NPRM), published in the *Federal Register*, vol. 85, no. 247, December 23, 2020, pp. 83840-83862; FinCEN, *Amendments to the Definition of Broker or Dealer in Securities*, NPRM, published in the *Federal Register*, vol. 81, no. 64, April 4, 2016, pp. 19086-19094; and U.S. Department of the Treasury, *Semiannual Agenda and Regulatory Plan*, published in the *Federal Register*, vol. 87, no. 151, August 8, 2022, pp. 48324-48328.

³⁰ The CTA is located in Title LXIV of Division F of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (P.L. 116-283).

defined, in part, to mean a person who directly or indirectly owns 25% or more of a legal entity or “exercises substantial control” over it.³¹

The CTA designated FinCEN as the central repository for collecting information on the beneficial owners of certain legal entities.³² Covered entities under the CTA are required to update beneficial ownership information as it changes.³³ Pursuant to the AMLA, FinCEN is required to store such information in its nonpublic database for at least five years and allow various U.S. government entities and financial institutions to access the information, subject to certain terms. Under the act, penalties for unauthorized disclosure of this information are significant.³⁴

Under the CTA, covered entities, referred to as “reporting companies,” include corporations, limited liability companies, or other similar entities that are either

- created by the filing of a document with a secretary of state or a similar office under the law of a state or Indian tribe; or
- formed under the law of a foreign country and registered to do business in the United States by the filing of a document with a secretary of state or a similar office under the laws of a state or Indian tribe.³⁵

The CTA included 23 exceptions for reporting companies—mostly for entities already subject to some type of federal regulation or oversight, such as banks, certain publicly traded companies, or entities that have a physical office in the United States and exceed certain employee and gross revenue thresholds.³⁶ In a September 2022 final rule implementing the CTA, FinCEN estimated that the CTA’s reporting requirements would apply to 32.6 million existing entities and 5 million new entities formed each year.³⁷

Selected FinCEN Actions Prior to the 2025 Rulemaking

Following an earlier advance notice of proposed rulemaking (ANPRM) in April 2021, FinCEN released a notice of proposed rulemaking (NPRM) in December 2021 to implement the beneficial ownership information reporting requirements under AMLA.³⁸ FinCEN’s December 2021 proposed rule identified two types of reporting companies—domestic and foreign—and FinCEN noted that it expected these to include business trusts, corporations, limited liability companies, and most other limited partnerships.³⁹ Entities established before the effective date of the final

³¹ See Section 6403 of the CTA.

³² *Covered beneficial owners* are defined in the Corporate Transparency Act, in part, to mean persons who directly or indirectly own 25% or more of a legal entity or exercise “substantial control” over it.

³³ 31 U.S.C. §5336(b)(1)(E), as added by Section 6403 of AMLA.

³⁴ Unauthorized disclosure or use of the beneficial ownership data may result in a civil penalty of up to \$500 for each day that the violation continues or has not been remedied and a criminal fine of up to \$250,000 and/or imprisonment for up to five years. If the violation occurs while violating another U.S. law or as part of a pattern of any illegal activity involving more than \$100,000 in a 12-month period, violators could be fined up to \$500,000 and/or imprisoned up to 10 years.

³⁵ 31 U.S.C. §5336(a)(11).

³⁶ 31 U.S.C. §5336(a)(11)(B).

³⁷ Financial Crimes Enforcement Network (FinCEN), “Beneficial Ownership Information Reporting Requirements,” 87 *Federal Register* 59549, September 30, 2022.

³⁸ FinCEN, “Beneficial Ownership Information Reporting Requirements,” ANPRM, 86 *Federal Register* 17557, April 5, 2021.

³⁹ FinCEN, “Beneficial Ownership Information Reporting Requirements,” NPRM, 86 *Federal Register* 69920, December 8, 2021. See also FinCEN, *Fact Sheet: Beneficial Ownership Information Reporting Notice of Proposed Rulemaking (NPRM)*, December 7, 2021.

rule would have one year to provide ownership information to FinCEN. Those formed after the effective date would have 14 days to provide this information.⁴⁰ Separately, FinCEN issued a final rule on BOI access and safeguards on December 22, 2023.⁴¹

On March 2, 2025, in an announcement that anticipated a March 26, 2025, interim final rulemaking, Treasury stated that it would suspend CTA enforcement for U.S. companies and U.S. persons to report beneficial ownership information noting in particular that it would “not enforce any penalties or fines associated with the beneficial ownership information reporting rule under the existing regulatory deadlines” and “not enforce any penalties or fines against U.S. citizens or domestic reporting companies or their beneficial owners.”

FinCEN’s March 2025 Interim Final Rule

In a significant regulatory change, on March 26, 2025, FinCEN issued an interim final rule stating that U.S. domestic reporting companies and U.S. persons did not need to report Beneficial Ownership Information under the Corporate Transparency Act.⁴² Specifically, the interim final rule revises the regulatory definition of “reporting company” to mean: “Any entity that is: (A) A corporation, limited liability company, or other entity; (B) Formed under the law of a foreign country; and (C) Registered to do business in any State or tribal jurisdiction by the filing of a document with a secretary of state or any similar office under the law of that State or Indian tribe.” The interim final rule also exempts all domestic reporting companies, and their beneficial owners, from the requirement to file initial BOI reports, or to update or correct previously filed BOI reports, by excluding domestic companies from the scope of the term “reporting company.”

FinCEN noted that its exemption of domestic reporting companies derived from authority provided in 31 U.S.C. §5336(a)(11)(B)(xxiv), which states that the term “reporting company” does not include

any entity or any entity or class of entities that the Secretary of the Treasury, with the written concurrence of the Attorney General and the Secretary of Homeland Security, has, by regulation, determined should be exempt from the requirements of subsection (b) because requiring beneficial ownership information from the entity or class of entities—

(I) would not serve the public interest; and

(II) would not be highly useful in national security, intelligence, and law enforcement agency efforts to detect, prevent, or prosecute money laundering, the financing of terrorism, proliferation finance, serious tax fraud, or other crimes.

FinCEN relied on the Secretary of the Treasury’s exemptive authority in 31 U.S.C. §5318(a)(7) to exempt (1) foreign reporting companies from disclosing BOI of any U.S. persons who are beneficial owners of such foreign reporting companies; (2) U.S. persons from providing BOI to foreign reporting companies for which they are beneficial owners; and (3) foreign pooled investment vehicles from disclosing BOI of U.S. persons who exercise substantial control over the entity.⁴³ 31 U.S.C. §5318(a)(7) authorizes the Secretary of the Treasury to “prescribe an

⁴⁰ FinCEN, *Fact Sheet: Beneficial Ownership Information Reporting Notice of Proposed Rulemaking (NPRM)*, December 7, 2021.

⁴¹ FinCEN, “Beneficial Ownership Information Access and Safeguards,” 88 *Federal Register* 88732, December 22, 2023.

⁴² FinCEN, “Beneficial Ownership Information Reporting Requirement Revision and Deadline Extension,” 90 *Federal Register* 13688, March 26, 2025.

⁴³ FinCEN, “Beneficial Ownership Information Reporting Requirement Revision and Deadline Extension,” 90 *Federal Register* 13688, March 26, 2025.

appropriate exemption from a requirement ... and regulations prescribed under ... [the Bank Secrecy Act].”

FinCEN’s March 26, 2025, interim final rule cited, as one reason for the change in BOI reporting, a desire to minimize any regulatory burdens on small businesses, stating that

The Secretary, with the written concurrence of the Attorney General and the Secretary of Homeland Security, has determined for purposes of this interim final rule that the reporting of BOI by domestic reporting companies and their beneficial owners “would not serve the public interest” and “would not be highly useful in national security, intelligence, and law enforcement agency efforts to detect, prevent, or prosecute money laundering, the financing of terrorism, proliferation finance, serious tax fraud, or other crimes.” The Secretary is aware that most domestic reporting companies that are not already covered by a statutory exemption are small businesses, and that any regulations affecting them must recognize this fact.... The vast majority of domestic small businesses are legitimate and owned by hardworking American taxpayers who are not engaged in illicit activity. The Secretary has assessed that exempting them would ensure that the Reporting Rule is appropriately tailored to advance the public interest, considering the burdens imposed by the regulations without sufficient benefits.⁴⁴

In addition to expressing a desire to minimize regulatory burdens on small businesses, the interim final rule noted that the continuing requirement for financial institutions to collect BOI for legal entity customers upon account opening should also serve to mitigate illicit finance risks.⁴⁵

In summarizing FinCEN’s March 26, 2025, rule, several law firms noted that the new rule effectively reversed beneficial ownership reporting for U.S. persons and U.S. entities. For instance, one report concluded

These changes have the effect of eliminating any reporting requirement for more than 99.9% of the entities that were previously required to report and, for domestic entities and US person beneficial owners, marking the end of the years long journey towards the CTA’s reporting requirements, which were enacted into law in early 2021 and implemented by FinCEN’s original rulemaking in September 2022.⁴⁶

In response to FinCEN’s rule, various members of Congress issued comment letters, and introduced legislation related to the CTA (see below, for discussion of various bills). For example, on May 27, 2025, Senator Sheldon Whitehouse and Senator Charles Grassley released a letter to Treasury Secretary Scott Bessent expressing their disagreement with the rule. Their joint letter stated

From both the text of the statute and the contemporaneous statements of [M]embers and testimony of executive branch officials, Congress plainly intended the CTA’s beneficial ownership information reporting requirements to cover domestic entities in order to maximize the national security and law enforcement benefits of such information. While there was much discussion on how to reduce the administrative burden of reporting, no

⁴⁴ FinCEN, “Beneficial Ownership Information Reporting Requirement Revision and Deadline Extension,” 90 *Federal Register* 13691, March 26, 2025.

⁴⁵ FinCEN, “Beneficial Ownership Information Reporting Requirement Revision and Deadline Extension,” 90 *Federal Register* 13691, March 26, 2025.

⁴⁶ Matthew Bisanz et al., *End of the Road: FinCEN Adopts Interim Final Rule Virtually Eliminating CTA Filing Requirements*, Mayer Brown, March 24, 2025, <https://www.mayerbrown.com/en/insights/publications/2025/03/end-of-the-road-fincen-adopts-interim-final-rule-virtually-eliminating-cta-filing-requirements>.

evidence in the record supports a categorical exemption of all domestic entities envisioned by this Interim Final Rule.⁴⁷

On April 1, 2025, Senate Banking Committee Ranking Member Senator Elizabeth Warren, House Financial Services Committee Ranking Member Maxine Waters, and 17 other Democratic members of the House and Senate wrote a letter to Treasury Secretary Scott Bessent, expressing opposition to the rule.⁴⁸ They stated that, regarding the March 2025 interim final rule, “[t]here appears to have been no serious interagency process, no time for meaningful consultation with law enforcement or national security experts, and no engagement with Congress prior to Treasury’s abrupt reversal.”⁴⁹

The Small Business Administration’s Office of Advocacy, on the other hand, published a letter to FinCEN commending the March 2025 rule as reducing the regulatory burden on small entities.⁵⁰ It stated that, “Because of the interim rule, small businesses will benefit from \$6.7 billion in annualized cost savings over 10 years using a 7% discount rate.”⁵¹

In testimony on September 9, 2025, before the House Financial Services Subcommittee on National Security, Illicit Finance, and International Financial Institutions, FinCEN Director Gacki stated that FinCEN accepted comments on its interim final rule through May 27, 2025, and intended to issue a final rule in 2025.⁵² As of March 19, 2026, FinCEN has not issued such a final rule.

February 2026 Order to Provide “Exceptional” Relief Related to the 2016 Customer Due Diligence (CDD) Rule

Since May 11, 2018, U.S. financial institutions have been required to comply with a Treasury rule, known as the customer due diligence (CDD) rule (31 C.F.R. §1010.230). This rule, finalized in 2016 with a two-year implementation delay, amended existing CDD requirements for certain financial institutions, a key element of “know-your-customer” obligations.

Central to the 2016 CDD rule is a requirement for financial institutions to establish and maintain procedures to identify and verify beneficial owners of a legal entity opening a new account. As with the establishment of a customer identification program for natural persons, covered financial institutions must now collect from a legal entity customer the name, date of birth, address, and Social Security number or other government identification number (passport number or other similar information in the case of foreign persons) for individuals who own 25% or more of the legal entity. The 2016 CDD rule also requires financial institutions to obtain this information for one individual with significant responsibility to “control, manage, or direct a legal entity customer” at the time a new account is opened.

⁴⁷ Senator Sheldon Whitehouse and Senator Charles E. Grassley, Letter to Secretary of the Treasury Scott Bessent, “RE: Interim Final Rule Entitled ‘Beneficial Ownership Information Reporting Requirement Revision and Deadline Extension’ Docket Number: FINCEN-2025-0001; (RIN) 1506-AB49,” May 27, 2025, <https://www.whitehouse.senate.gov/wp-content/uploads/2025/05/2025-05-27-Whitehouse-Grassley-Comment-Letter-on-CTA-Interim-Final-Rule-SIGNED-FINAL.pdf>.

⁴⁸ Senator Elizabeth Warren et al., Letter to Secretary of the Treasury Scott Bessent, April 1, 2025, https://democrats-financialservices.house.gov/UploadedFiles/04.01.2025_CTA_itr_CMW_SEW.pdf.

⁴⁹ Senator Elizabeth Warren et al., Letter to Secretary Bessent, April 1, 2025.

⁵⁰ U.S. Small Business Administration, Office of Advocacy, Comment Letter on Beneficial Ownership Information Reporting Requirements and Revision and Deadline Extension (May 27, 2025), at <https://advocacy.sba.gov/2025/05/29/advocacy-commends-fincen-interim-final-rule-on-beneficial-ownership/>.

⁵¹ U.S. Small Business Administration, Office of Advocacy, Comment Letter on Beneficial Ownership Information Reporting Requirements and Revision and Deadline Extension (May 27, 2025), at p. 1.

⁵² Prepared statement of Andrea M. Gacki, FinCEN Director, for a hearing entitled “Oversight of the Financial Crimes Enforcement Network,” held by the House Financial Services Subcommittee on National Security, Illicit Finance, and International Financial Institutions, September 9, 2025.

Section 6403(d) of AMLA provided that within one year of the effective date of regulations promulgated to implement the CTA, the Secretary of the Treasury would revise the 2016 CDD rule to bring it into conformance with the provisions of the CTA and “reduce any burdens on financial institutions and legal entity customers that are, in light of the enactment of [AMLA] ... unnecessary or duplicative.”⁵³

On February 13, 2026, FinCEN, citing authority in 31 U.S.C. §5318(a)(7) and 31 C.F.R. §1010.970, announced in an order posted online that it is granting “exceptive relief” to covered financial institutions from the regulatory requirement to identify and verify beneficial ownership of legal entity customers at each new account opening.

A covered financial institution may instead limit its identification and verification of the identities of beneficial owners under 31 C.F.R. §1010.230 to the following scenarios: (1) when a legal entity customer first opens an account with a covered financial institution, (2) any time thereafter when the covered financial institution has knowledge of facts that would reasonably call into question the reliability of beneficial ownership information previously obtained about the legal entity customer, and (3) as needed based on a covered financial institution’s risk-based procedures for conducting ongoing customer due diligence.⁵⁴

The February 2026 order noted that FinCEN has taken this action in furtherance of President Trump’s deregulatory policy in Executive Order 14192 of January 31, 2025, “Unleashing Prosperity Through Deregulation,” “consistent with ... the BSA’s risk-based framework,” and as part of FinCEN’s obligations under Section 6403(d) of AMLA. The order further notes that “FinCEN anticipates pursuing further changes to the 2016 CDD Rule through the rulemaking process, and this exceptive relief notice will help inform those efforts.”

Status of Other AMLA Rulemaking Requirements

As described below, FinCEN is developing several AMLA rules, including rules on AML/CFT priorities, AML regulations for dealers in antiquities, a pilot program to share SARs, and a process for issuing “no-action” letters. The AMLA contains several other prospective AML/CFT-related rulemaking provisions that are in process as well.

Rulemaking on AML/CFT Priorities

Section 6101(b) of the AMLA amends 31 U.S.C. §5318 to require the Secretary of the Treasury to “establish and make public priorities” for AML/CFT policy.⁵⁵ Pursuant to this requirement, FinCEN issued an initial list of eight AML/CFT priorities on June 30, 2021 (Treasury is required to update its priorities at least once every four years).⁵⁶ Section 6101(b) of the AMLA further requires the Secretary of the Treasury, acting through the FinCEN Director, to, “as appropriate, promulgate regulations” to implement its public AML/CFT policy priorities.⁵⁷ Such rulemaking was due within 180 days of the issuance of the first AML/CFT policy priorities on June 30, 2021. On July 3, 2024, FinCEN published in the *Federal Register* an NPRM to “strengthen and modernize” financial institutions’ AML/CFT programs, pursuant to Section 6101(b) of the

⁵³ 134 Stat. 4624.

⁵⁴ U.S. Department of the Treasury, FinCEN, “Exceptive Relief from Requirement to Identify and Verify Beneficial Owners at Each Account Opening,” FIN-2026-R001, February 13, 2026.

⁵⁵ See 31 U.S.C. §5318(h)(4). Pursuant to this provision, the priorities are to be developed in consultation with the Attorney General, federal functional regulators (as defined in section 509 of the Gramm-Leach-Bliley Act), relevant state financial regulators, and relevant national security agencies.

⁵⁶ FinCEN, *Anti-Money Laundering and Countering the Financing of Terrorism National Priorities*, June 30, 2021. The initial eight priorities are (1) corruption; (2) cybercrime, including relevant cybersecurity and virtual currency considerations; (3) foreign and domestic terrorist financing; (4) fraud; (5) transnational criminal organization activity; (6) drug trafficking organization activity; (7) human trafficking and human smuggling; and (8) weapons proliferation financing.

⁵⁷ The rulemaking requirement is codified at 31 U.S.C. §5318(h)(4)(d). Pursuant to this provision, the rulemaking is to be conducted in consultation with the federal functional regulators and relevant state financial regulators.

AMLA.⁵⁸ According to the Treasury Department’s Semiannual Agenda and Regulatory Plan, published in the *Federal Register* on September 22, 2025, FinCEN intended to issue complete regulatory actions by January 2026.⁵⁹

AML Regulations for Dealers in Antiquities

Section 6110 of the AMLA requires the Secretary of the Treasury to issue proposed rules within 360 days of enactment that subject “a person engaged in the trade of antiquities, including an advisor, consultant, or any other person who engages as a business in the solicitation or the sale of antiquities” to BSA requirements. According to FinCEN, trade in antiquities may facilitate illicit value transfers and be used as a money laundering method by a wide range of terrorist organizations, transnational criminal networks, and other malign actors.⁶⁰ On March 9, 2021, FinCEN issued a notice to inform financial institutions about anticipated regulatory activity related to antiquities trade.⁶¹ On September 24, 2021, FinCEN published an ANPRM in the *Federal Register*, launching the regulatory process for applying BSA requirements to persons engaged in the trade in antiquities.⁶² FinCEN received 37 comments on its ANPRM.⁶³ According to the Treasury Department’s Semiannual Agenda and Regulatory Plan, published in the *Federal Register* on September 22, 2025, the status of this regulatory action was listed as “withdrawn” as of April 16, 2025.⁶⁴

Pilot SAR Sharing Program

Unauthorized disclosure of the contents or existence of a SAR—including with foreign branches, subsidiaries, and affiliates of U.S. financial institutions—may result in civil penalties and criminal sanctions. Section 6212 of the AMLA requires the Secretary of the Treasury, in coordination with the FinCEN Director, to issue rules establishing a pilot program to permit financial institutions subject to BSA reporting requirements to share SARs and related information otherwise subject to SAR confidentiality limitations with their foreign branches, subsidiaries, and affiliates.

⁵⁸ FinCEN, “Anti-Money Laundering and Countering the Financing of Terrorism Programs,” published in the *Federal Register*, vol. 89, no. 128, July 3, 2024, pp. 55428-55493.

⁵⁹ U.S. Department of the Treasury, *Semiannual Agenda and Regulatory Plan*, published in the *Federal Register*, vol. 90, no. 181, September 22, 2025, pp. 45554-45559.

⁶⁰ FinCEN, *FinCEN Launches Regulatory Process for New Antiquities Regulations*, September 23, 2021. Section 6110 of the AMLA also required the Secretary of the Treasury, in coordination with the Director of the Federal Bureau of Investigation, the Attorney General, and the Secretary of Homeland Security, to conduct “a study of the facilitation of money laundering and the financing of terrorism through the trade in works of art.” The study was due to the Senate Committee on Banking, Housing, and Urban Affairs and House Committee on Financial Services within 360 days of enactment. According to FinCEN, the study has been completed and submitted to Congress. FinCEN response to CRS inquiry, September 6, 2022.

⁶¹ FinCEN, *FinCEN Informs Financial Institutions of Efforts Related to Trade in Antiquities and Art*, FIN-2021-NTC2, March 9, 2021.

⁶² FinCEN, *Anti-Money Laundering Regulations for Dealers in Antiquities*, ANPRM, published in the *Federal Register*, vol. 86, no. 183, September 24, 2021, pp. 53021-53024. See also FinCEN, *FinCEN Launches Regulatory Process for New Antiquities Regulations*, press release, September 23, 2021.

⁶³ FinCEN, *Anti-Money Laundering Regulations for Dealers in Antiquities*, Regulation Identifier Number 1506-AB50, <https://www.regulations.gov/docket/FINCEN-2021-0006>. The number of comments refers to the total number of comments posted to this docket.

⁶⁴ U.S. Department of the Treasury, *Semiannual Agenda and Regulatory Plan*, published in the *Federal Register*, vol. 90, no. 181, September 22, 2025, pp. 45554-45559.

Unless the Secretary authorizes a case-specific exception and notifies the Senate Committee on Banking, Housing, and Urban Affairs and House Committee on Financial Services that such an exception is in the national security interest of the United States, participating financial institutions may not share SAR information with foreign branches, subsidiaries, or affiliates located in China or Russia. Moreover, they may not share SAR information with foreign branches, subsidiaries, or affiliates located in jurisdictions identified as a state sponsor of terrorism, subject to U.S. sanctions, or that “the Secretary has determined cannot reasonably protect the security and confidentiality of such information.”

The pilot program would terminate three years after enactment, but it may be extended up to two additional years if the Secretary reports to the Senate Committee on Banking, Housing, and Urban Affairs and House Committee on Financial Services that authorizing such an extension is in the national interest of the United States, among other requirements. On January 25, 2022, FinCEN published an NPRM in the *Federal Register* for such a time-limited pilot program.⁶⁵ FinCEN received 17 comments on its NPRM.⁶⁶ According to the Treasury Department’s Semiannual Agenda and Regulatory Plan, published in the *Federal Register* on September 22, 2025, the status of this regulatory action was listed as “withdrawn” as of April 16, 2025.⁶⁷

No-Action Letter Process

Section 6305 of the AMLA requires the FinCEN Director to conduct an assessment on whether FinCEN should establish a process for issuing BSA “no-action” letters.⁶⁸ As described in Section 6305 of the AMLA, the issuance of “no-action” letters could involve FinCEN responding to inquiries concerning the applicability of BSA and related AML/CFT provisions to specific conduct, along with requests for an official statement as to whether FinCEN or any relevant federal functional regulator intends to take an enforcement action with respect to such conduct. In turn, Section 6305 of the AMLA requires the Secretary of the Treasury to submit a report to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Financial Services, within 180 days of enactment, with FinCEN’s findings and determinations, as well as to propose rulemakings, as appropriate, to implement such findings and determinations.⁶⁹ On June 28, 2021, FinCEN issued the required report, indicating that “FinCEN assesses that it should establish a no-action letter process through rulemaking, provided sufficient resources are made available.”⁷⁰ On June 6, 2022, FinCEN published an ANPRM in the *Federal Register*.⁷¹

⁶⁵ FinCEN, *Pilot Program on Sharing of Suspicious Activity Reports and Related Information with Foreign Branches, Subsidiaries, and Affiliates*, NPRM, published in the *Federal Register*, vol. 87, no. 16, January 25, 2022, pp. 3719-3729. See also FinCEN, *FinCEN Issues Proposed Rule for Suspicious Activity Report Sharing Pilot Program to Combat Illicit Finance Risks*, press release, January 24, 2022.

⁶⁶ FinCEN, *Pilot Program on Sharing of Suspicious Activity Reports and Related Information with Foreign Branches, Subsidiaries, and Affiliates, Regulation Identifier Number 1506-AB51*, <https://www.regulations.gov/docket/FINCEN-2022-0002>. The number of comments refers to the total number of comments posted to this docket.

⁶⁷ U.S. Department of the Treasury, *Semiannual Agenda and Regulatory Plan*, published in the *Federal Register*, vol. 90, no. 181, September 22, 2025, pp. 45554-45559.

⁶⁸ Pursuant to Section 6305(a), FinCEN’s assessment is to be conducted in consultation with the Attorney General, federal functional regulators, state bank supervisors, state credit union supervisors, and other federal agencies, as appropriate.

⁶⁹ Pursuant to Section 6305(b), the Secretary’s report is to be submitted in coordination with the Director of the Federal Bureau of Investigation, Attorney General, Secretary of Homeland Security, and federal functional regulators.

⁷⁰ FinCEN, *A Report to Congress: Assessment of No-Action Letters in Accordance with Section 6305 of the Anti-Money Laundering Act of 2020*, June 28, 2021, p. 14.

⁷¹ FinCEN, *No-Action Letter Process*, ANPRM, published in the *Federal Register*, vol. 87, no. 108, June 6, 2022, pp. 34224-34228. See also FinCEN, *FinCEN Issues Advance Notice of Proposed Rulemaking for No-Action Letter Process*, press release, June 3, 2022.

FinCEN received 25 comments on its ANPRM and no further regulatory action has occurred.⁷² The Reginfo.gov website reports that the ANPRM was withdrawn on April 16, 2025.⁷³

Other Prospective Rulemakings

Other AMLA provisions may involve rulemakings for which indications of progress are not publicly available as of the date of this report’s publication. Such provisions include the following:

- Section 6103 of the AMLA establishes a “FinCEN Exchange” to facilitate voluntary public-private information sharing partnership between law enforcement agencies, national security agencies, financial institutions, and FinCEN. The provision also requires FinCEN to, “as appropriate, promulgate regulations that establish procedures for the protection of information shared and exchanged between FinCEN and the private sector” through the FinCEN Exchange.⁷⁴ AMLA does not provide a deadline for the issuance of such regulations. In practice, FinCEN has held numerous periodic events under the auspices of the FinCEN Exchange program since AMLA’s enactment.⁷⁵
- Section 6204 of the AMLA requires the Secretary of the Treasury to conduct a formal review of the financial institution reporting requirements relating to CTRs and SARs—and potential prospects for “streamlining requirements” for such reports.⁷⁶ Section 6204(c) of the AMLA requires the Secretary of the Treasury to submit a report to Congress within one year of enactment with the Secretary’s findings and determinations, as well as proposed rulemakings.⁷⁷ In September 2025, FinCEN Director Gacki noted in congressional testimony that FinCEN was actively “exploring ways to streamline SAR and CTR reporting.”⁷⁸
- Section 6205 of the AMLA requires the Secretary of the Treasury to review and determine whether the dollar thresholds, including aggregate thresholds, for CTRs and SARs should be adjusted.⁷⁹ Section 6205(c) of the AMLA requires the Secretary of the Treasury to publish a report with the Secretary’s findings as well

⁷² FinCEN, *No-Action Letter Process, Regulation Identifier Number 1506-AB55*, <https://www.regulations.gov/docket/FINCEN-2022-0007>. The number of comments refers to the total number of comments posted to this docket.

⁷³ See <https://www.reginfo.gov/public/do/eAgendaViewRule?pubId=202504&RIN=1506-AB55>.

⁷⁴ The regulations requirement is codified at 31 U.S.C. §310(d)(5)(A).

⁷⁵ For more information see, FinCEN, “FinCEN Exchange,” landing page, <https://www.fincen.gov/resources/fincen-exchange>.

⁷⁶ Pursuant to Section 6204(a), the Secretary is to conduct the review in consultation with the Attorney General, federal law enforcement agencies, Secretary of Homeland Security, federal functional regulators, state bank supervisors, state credit union supervisors, and other relevant stakeholders.

⁷⁷ Pursuant to Section 6204(c), the Secretary is to submit the required report in consultation with the Attorney General, federal law enforcement agencies, Director of National Intelligence, Secretary of Homeland Security, and federal functional regulators. On December 15, 2021, FinCEN published a request for information (RFI) that sought “comment on ways to streamline, modernize, and update” the U.S. AML/CFT regime. Comments received from this RFI may inform Treasury’s approach to implementing this provision.

⁷⁸ FinCEN Director Andrea Gacki, prepared statement for a hearing held by the House Committee on Financial Services, Subcommittee on National Security, Illicit Finance, and International Financial Institutions, *Evaluating the Financial Crimes Enforcement Network*, September 9, 2025.

⁷⁹ Pursuant to Section 6205(a), the Secretary’s review and determinations are to be conducted in consultation with the Attorney General, Director of National Intelligence, Secretary of Homeland Security, federal functional regulators, state bank supervisors, state credit union supervisors, and other relevant stakeholders.

as proposed rulemakings within one year of enactment.⁸⁰ Once every five years during the 10-year period after AMLA’s enactment, the Secretary is also required to reevaluate the previous findings and “propose rulemakings, as appropriate, in response to the evaluation required.”

- Section 6209 of the AMLA requires the Secretary of the Treasury to “issue a rule to specify ... the standards by which financial institutions are to test the technology and related technology internal processes” for facilitating AML/CFT compliance (e.g., machine learning or other enhanced data analytics processes). AMLA does not provide a deadline for the issuance of such “testing methods rulemaking.”⁸¹
- Section 6314(a) of the AMLA amends 31 U.S.C. §5323 to update AML/CFT-related whistleblower incentives and protections. The amended *U.S. Code* provision also authorizes the Secretary of the Treasury, in consultation with the Attorney General, to “issue such rules and regulations as may be necessary or appropriate to implement the [updated whistleblower] provisions.”⁸² AMLA does not provide a deadline for the issuance of potential rules and regulations. Since AMLA’s enactment, FinCEN established an Office of the Whistleblower.⁸³ According to the Fall 2023 Unified Agenda of Federal Regulatory and Deregulatory Actions, published in the *Federal Register* on February 9, 2024, “FinCEN intends to issue a notice of proposed rulemaking to establish a whistleblower award program” consistent with Section 6314 of the AMLA, as amended.⁸⁴

Beyond AMLA: AML/BSA Rulemaking Recent Developments

Since AMLA’s enactment in January 2021, FinCEN has proposed, completed, withdrawn, or delayed a range of other AML/BSA rulemakings that are not specified in AMLA.

- **Requirements for certain transactions involving convertible virtual currency or digital assets.** In December 2020, FinCEN published an NPRM.⁸⁵ After reopening the comment period in January 2021 and then extending the reopened comment period, the rulemaking action was withdrawn on April 12, 2024.⁸⁶

⁸⁰ Pursuant to Section 6205(c), the Secretary’s report is to be published in consultation with the Attorney General, Director of National Intelligence, Secretary of Homeland Security, federal functional regulators, state bank supervisors, state credit union supervisors, and other relevant stakeholders.

⁸¹ The rulemaking requirement is codified at 31 U.S.C. §5318(o)(1).

⁸² The rulemaking authority is codified at 31 U.S.C. §5323(i). On January 31, 2022, the Regulatory Information Service Center published in the *Federal Register* a list of FinCEN’s regulatory priorities for FY2022, which included a statement of FinCEN’s intention to issue an NPRM relating to Section 6314 of the AMLA. See Regulatory Information Service Center, *Introduction to the Unified Agenda of Federal Regulatory and Deregulatory Actions—Fall 2021*, published in the *Federal Register*, vol. 87, no. 20, January 31, 2022, p. 5142.

⁸³ U.S. Department of the Treasury, Congressional Budget Justification, FY2026, Financial Crime Enforcement Network, p. 7, <https://home.treasury.gov/system/files/266/11.-FinCEN-FY-2026-CJ.pdf>.

⁸⁴ Regulatory Information Service Center, “Introduction to the Unified Agenda of Federal Regulatory and Deregulatory Actions—Fall 2023,” in 89 *Federal Register* 9455, February 9, 2024. The whistleblower provision was further amended by Title IV, Division AA of the Consolidated Appropriations Act, 2023, P.L. 117-328.

⁸⁵ FinCEN, “Requirements for Certain Transactions Involving Convertible Virtual Currency or Digital Assets,” 85 *Federal Register* 83840, December 23, 2020.

⁸⁶ See Regulations.gov, Requirements for Certain Transactions Involving Convertible Virtual Currency or Digital Assets, Docket ID FinCEN-2020-0020, <https://www.regulations.gov/docket/FINCEN-2020-0020/unified-agenda>.

- **Orders imposing additional reporting and recordkeeping requirements.** In November 2021, FinCEN issued a final rule to update regulations related to reports of certain domestic transactions (31 C.F.R. §1010.370).⁸⁷
- **AML regulations for residential real estate transfers.** In November 2021, FinCEN published an ANPRM on AML regulations for real estate transactions and, after an extended comment period, published an NPRM in February 2024 on residential real estate transfers.⁸⁸ FinCEN published a final rule in August 2024, effective December 1, 2025.⁸⁹
- **Reports of foreign financial accounts civil penalties.** In December 2021, FinCEN issued a final rule to amend the BSA civil penalty regulations on reporting foreign financial accounts and transactions with foreign financial agencies. FinCEN issued this rule in alignment with the provisions of Section 821 of the American Jobs Creation Act of 2004, including a greater maximum penalty for willful violations.
- **AML/CFT program, SAR filing requirements, and customer identification programs for registered investment advisers and exempt reporting advisers.** In February 2024, FinCEN published an NPRM on AML/CFT program and SAR filing requirements for registered investment advisers and exempt reporting advisers.⁹⁰ FinCEN published a final rule in September 2024 and later amended the rule to delay implementation for two years, until January 1, 2028.⁹¹ In a separate May 2024 action, FinCEN, jointly with the Securities and Exchange Commission, issued an NPRM on customer identification programs for registered investment advisers and exempt reporting advisers.⁹²
- **Geographic targeting orders (GTOs).** Since AMLA's enactment, FinCEN has issued three new GTOs pursuant to 31 U.S.C. §5326, two on certain money services businesses along the Southwest border ("in furtherance of Treasury's efforts to combat illicit finance by drug cartels and other illicit actors") and one on certain financial institutions in Minnesota ("in furtherance of Treasury's efforts to combat international money laundering of the proceeds of government benefits fraud in Minnesota").⁹³
- **Special measures.** FinCEN has ordered the imposition of several special measures pursuant to the Combating Russian Money Laundering Act (31 U.S.C. §5318A note) and the FEND Off Fentanyl Act (21 U.S.C. §2313a), which targeted transmittals of funds involving two Russia-linked cryptocurrency exchanges and three Mexican financial institutions.⁹⁴ FinCEN also published final rules imposing restrictions on an Iraq-

⁸⁷ FinCEN, "Orders Imposing Additional Reporting and Recordkeeping Requirements," 86 *Federal Register* 62914, November 15, 2021.

⁸⁸ FinCEN, "Anti-Money Laundering Regulations for Real Estate Transactions," 86 *Federal Register* 69589, December 8, 2021; "Anti-Money Laundering Regulations for Residential Real Estate Transfers," 89 *Federal Register* 12424, February 16, 2024.

⁸⁹ FinCEN, "Anti-Money Laundering Regulations for Residential Real Estate Transfers," 89 *Federal Register* 70258, August 29, 2024. On September 30, 2025, the Secretary of the Treasury, acting through FinCEN and drawing on authority in 31 U.S.C. §5318(a)(7) and 31 C.F.R. §1010.970(a), granted all persons covered by the residential real estate rule from all requirements of the rule until March 1, 2026.

⁹⁰ FinCEN, "Financial Crimes Enforcement Network: Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers," 89 *Federal Register* 12108, February 15, 2024.

⁹¹ FinCEN, "Financial Crimes Enforcement Network: Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers," 89 *Federal Register* 72156, September 4, 2024; "Delaying the Effective Date of the Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers," 91 *Federal Register* 36, January 2, 2026.

⁹² FinCEN and the Securities Exchange Commission, "Customer Identification Programs for Registered Investment Advisers and Exempt Reporting Advisers," 89 *Federal Register* 44571, May 21, 2024.

⁹³ FinCEN, "Issuance of a Geographic Targeting Order Imposing Additional Recordkeeping and Reporting Requirements on Certain Money Services Businesses Along the Southwest Border," 90 *Federal Register* 12106, March 14, 2025; "Geographic Targeting Order Imposing Recordkeeping and Reporting Requirements on Certain Money Services Businesses Along the Southwest Border," 90 *Federal Register* 43557, September 10, 2025; "Geographic Targeting Order Imposing Recordkeeping and Reporting Requirements on Certain Financial Institutions in Minnesota," 91 *Federal Register* 1246, January 13, 2026.

⁹⁴ FinCEN, "Imposition of Special Measure Prohibiting the Transmittal of Funds Involving Bitzlatto," 88 *Federal* (continued...)

and a Cambodia-based financial institution, pursuant to Section 311 of the USA PATRIOT Act (31 U.S.C. §5318A).⁹⁵ FinCEN also published proposed rules regarding the imposition of special measures on convertible virtual currency mixing as a class of transactions of primary money laundering concern; ten Mexican gambling establishments; and a Switzerland-based financial institution.⁹⁶ In 2024, FinCEN withdrew its proposal to invoke Section 311 of the USA PATRIOT Act against ABLV Bank AS, as it determined it is no longer a financial institution of primary money laundering concern; in 2018, the European Central Bank withdrew ABLV's banking license and the bank entered irrevocable liquidation.

AMLA Implementation: Reporting Requirements

The following section describes AMLA reporting requirements, some of which have been completed while others remain ongoing or pending.

CTA Reporting Requirements

Pursuant to the CTA, a number of assessment reports on the functioning of the beneficial ownership registry were mandated for one year after the effective date of implementing regulations and annually thereafter for two years.⁹⁷ Moreover, exempt entities were to be subject to “continuous review” for involvement in “significant abuse relating to money laundering, the financing of terrorism, proliferation finance, serious tax fraud, or any other financial crime.”⁹⁸ The CTA additionally required the Secretary of the Treasury to prepare reports on FinCEN's disclosure of beneficial ownership information to nonfederal law enforcement agencies,⁹⁹ and remediation actions to take in the event of a cybersecurity breach of the beneficial ownership database.¹⁰⁰ It also required the Inspector General of the Department of the Treasury to submit to Congress periodic reports on external user comments or complaints related to the beneficial

Register 3919, January 23, 2023; “Imposition of Special Measure Prohibiting the Transmittal of Funds Involving PM2BTC,” 89 *Federal Register* 82499, October 11, 2024; “Imposition of Special Measure Prohibiting Certain Transmittals of Funds Involving Vector Casa de Bolsa, S.A. de C.V.,” 90 *Federal Register* 27764, June 30, 2025; “Imposition of Special Measure Prohibiting Certain Transmittals of Funds Involving CIBanco S.A., Institución De Banca Multiple,” 90 *Federal Register* 27770, June 30, 2025; “Imposition of Special Measure Prohibiting Certain Transmittals of Funds Involving Intercam Banco S.A., Institución de Banca Multiple,” 90 *Federal Register* 27777, June 30, 2025. The effective date of the actions targeting the three Mexican financial institutions was postponed until October 20, 2025.

⁹⁵ FinCEN, “Imposition of Special Measure Regarding Al-Huda Bank as a Financial Institution of Primary Money Laundering Concern,” 89 *Federal Register* 55051, July 3, 2024; “Imposition of Special Measure Regarding Huione Group, as a Foreign Financial Institution of Primary Money Laundering Concern,” 90 *Federal Register* 48295, October 16, 2025.

⁹⁶ FinCEN, “Proposal of Special Measure Regarding Convertible Virtual Currency Mixing, as a Class of Transactions of Primary Money Laundering Concern,” 88 *Federal Register* 72701, October 23, 2023; “Proposal of Special Measure Regarding Transactions Involving Ten Mexican Gambling Establishments as a Class of Transactions of Primary Money Laundering Concern,” 90 *Federal Register* 51234, November 17, 2025; “Proposal of Special Measure Regarding MBAer Merchant Bank AG as a Financial Institution Operating Outside of the United States of Primary Money Laundering Concern,” 91 *Federal Register* 10034, March 2, 2026.

⁹⁷ 31 U.S.C. §5336(b)(6) as added by Section 6403 of AMLA.

⁹⁸ 31 U.S.C. §5336(i) as added by Section 6403 of AMLA.

⁹⁹ 31 U.S.C. §5336(c)(9) as added by Section 6403 of AMLA. The reports are to be submitted to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Financial Services beginning not later than one year after the effective date of implementing regulations and annually thereafter for five years.

¹⁰⁰ 31 U.S.C. §5336(h)(5)(C) as added by Section 6403 of AMLA.

ownership information notification and collection process.¹⁰¹ It is unclear how FinCEN’s March 2025 interim final rule, discussed above, will impact these requirements.

Threat Pattern and Trend Information¹⁰²

Section 6206 of the AMLA amends 31 U.S.C. §5318(g) to require the FinCEN Director to “publish threat pattern and trend information,” including typologies related to “emerging money laundering and terrorist financing threat patterns and trends.” Such reports, required by AMLA to be published at least semiannually, are intended to “provide meaningful information about the preparation, use, and value of” BSA reporting by financial institutions. To date, FinCEN has issued more than a dozen of such analytic reports, described as “Financial Trend Analyses.”¹⁰³

Review of Regulations and Guidance

Section 6216 of the AMLA requires the Secretary of the Treasury to conduct a formal review of AML/CFT regulations to ensure that “appropriate safeguards” are in place “to protect the financial system from threats,” including the continued requirement of certain reports and records that remain “highly useful in countering financial crime.”¹⁰⁴ The review is also to identify regulations and guidance that “may be outdated, redundant, or otherwise do not promote a risk-based” AML/CFT regime for financial institutions, including any regulations and guidance that do not conform to international AML/CFT standards.

The review, containing all findings and determinations, including administrative or legislative recommendations, was due to Congress within one year of AMLA’s enactment. Beginning the process of implementing this provision, FinCEN published a request for information (RFI) on December 15, 2021, that sought “comment on ways to streamline, modernize, and update” the U.S. AML/CFT regime in order to “protect U.S. national security in a cost-effective and efficient manner.”¹⁰⁵ FinCEN received 140 comments on its RFI.¹⁰⁶

Other Treasury Department Reporting Requirements

In addition to the AMLA provisions discussed above, AMLA contains other reporting provisions requiring the Secretary of the Treasury or the FinCEN Director to submit various reports to Congress. Some of these reporting requirements have been delegated to FinCEN or other

¹⁰¹ 31 U.S.C. §5336(h)(4)(B) as added by Section 6403 of AMLA.

¹⁰² Since the enactment of AMLA, FinCEN has published other reports on anti-money laundering/countering the financing of terrorism (AML/CFT) concerns related to threat patterns and trend information that are not specified in AMLA. Such publications include several advisories on certain illicit finance threats, including fraud and financial crimes related to the COVID-19 pandemic (FIN-2021-A001 and FIN-2021-A002), ransomware and ransom payments (FIN-2021-A004), kleptocracy and foreign public corruption (FIN-2022-A001), and elder financial exploitation (FIN-2022-A002).

¹⁰³ See <https://www.fincen.gov/resources/financial-trend-analyses>.

¹⁰⁴ Pursuant to Section 6216(a), the Secretary’s review is to be conducted in consultation with the federal functional regulators, Financial Institutions Examination Council, Attorney General, federal law enforcement agencies, Director of National Intelligence, Secretary of Homeland Security, and Commissioner of Internal Revenue.

¹⁰⁵ FinCEN, *Review of Bank Secrecy Act Regulations and Guidance*, request for information and comment (RFI), published in the *Federal Register*, vol. 86, no. 238, December 15, 2021, pp. 71201-71207. See also FinCEN, *FinCEN Seeks Comments on Modernization of U.S. AML/CFT Regulatory Regime*, press release, December 14, 2021.

¹⁰⁶ FinCEN, *Review of Bank Secrecy Act Regulations and Guidance – Request for Information*, <https://www.regulations.gov/docket/FINCEN-2021-0008>. The number of comments refers to the total number of comments posted to this docket.

organizational units within Treasury, such as the Office of Terrorist Financing and Financial Crimes (TFFC). Moreover, some of these reports may not have been issued publicly and may have instead been specifically provided to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Financial Services.

- Section 6103 of the AMLA amends 31 U.S.C. §310 to require the Secretary of the Treasury to submit reports to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Financial Services on efforts undertaken by the FinCEN Exchange. The first report was due within one year of AMLA’s enactment and once every two years thereafter for the next five years.¹⁰⁷
- Section 6105(c) of the AMLA requires the Secretary of the Treasury to submit reports to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Financial Services on the use of special hiring authorities for FinCEN and Office of Terrorism and Financial Intelligence personnel. The first report was due within one year of AMLA’s enactment and once every two years thereafter for the next five years.¹⁰⁸
- Section 6107 of the AMLA amends 31 U.S.C. §310 to require the FinCEN Director to submit reports to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Financial Services on the next-year objectives of the AMLA-created Office of Domestic Liaison and past-year activities. The first report was due within one year of AMLA’s enactment and once every two years thereafter for the next five years.¹⁰⁹
- Section 6110(c) of the AMLA requires the Secretary of the Treasury to “perform a study on the facilitation of money laundering and the financing of terrorism through the trade in works of art.”¹¹⁰ The report was due to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Financial Services within 360 days of AMLA’s enactment.¹¹¹
- Section 6111 of the AMLA requires the Secretary of the Treasury to submit reports to Congress on technical assistance, including assistance to promote compliance with international AML/CFT standards and best practices, provided by the Treasury Department’s Office of Technical Assistance. The first report was

¹⁰⁷ Information on the FinCEN Exchange is available at <https://www.fincen.gov/resources/financial-crime-enforcement-network-exchange>. According to FinCEN, the required first report has been completed and submitted to Congress. FinCEN response to CRS inquiry, September 6, 2022.

¹⁰⁸ Sections 6105(a) and 6105(b) of the AMLA amended 31 U.S.C. §310 and 31 U.S.C. §312, respectively, to authorize the Secretary of the Treasury to appoint to FinCEN and the Office of Terrorism and Financial Intelligence personnel “without regard to the provisions of section 3309 through 3318 of title 5, candidates directly to positions in the competitive service, as defined in section 2102 of that title” According to FinCEN, direct hiring authority was “operationalized” as of February 26, 2021. See FinCEN, *Message from the FinCEN Director: 180-Day Update on AML Act Implementation*, June 30, 2021. According to FinCEN, the required first report has been completed and submitted to Congress. FinCEN response to CRS inquiry, September 6, 2022.

¹⁰⁹ According to FinCEN, the required first report has been completed and submitted to Congress. FinCEN response to CRS inquiry, September 6, 2022.

¹¹⁰ Pursuant to Sections 6110(c) and 6110(d), the Secretary’s review and report are to be completed in coordination with the Director of the Federal Bureau of Investigation, Attorney General, and Secretary of Homeland Security.

¹¹¹ According to FinCEN, the study has been completed and submitted to Congress. FinCEN response to CRS inquiry, September 6, 2022.

due within one year of AMLA's enactment and once every two years thereafter for the next five years.¹¹²

- Section 6210 of the AMLA requires the Secretary of the Treasury to submit a report to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Financial Services that assesses “the impact of financial technology on financial crimes compliance, including with respect to money laundering, the financing of terrorism, proliferation finance, serious tax fraud, trafficking, sanctions evasion, and other illicit finance.”¹¹³ The report was due within one year of AMLA's enactment.
- Section 6215(b) of the AMLA requires the U.S. Government Accountability Office (GAO) to conduct an analysis of financial services “de-risking”—the concern that AML/CFT and sanctions-related compliance decisionmaking may have the unintended consequence of reducing financial services access to nonprofit and international development organizations carrying out humanitarian activities in high-risk jurisdictions. In turn, Section 6215(c) requires the Secretary of the Treasury to undertake a formal review and submit a report to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Financial Services that includes “a strategy to reduce de-risking and adverse consequences related to de-risking.”¹¹⁴
- Section 6506 of the AMLA requires the Secretary of the Treasury to submit to Congress a report on trade-based money laundering (TBML) and proposed strategies to combat TBML. The report was due within one year of AMLA's enactment.¹¹⁵
- Section 6507 of the AMLA requires the Secretary of the Treasury to submit to Congress a report on Chinese money laundering and a strategy to counter such laundering activity. The report was due within one year of AMLA's enactment.¹¹⁶
- Section 6508 of the AMLA requires the Secretary of the Treasury to study and submit to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Financial Services a report on the efforts of authoritarian regimes to exploit the U.S. financial system and recommendations for legislative, regulatory, or U.S. financial institution action to address such exploitation.¹¹⁷ The report was due within two years of AMLA's enactment.

¹¹² According to FinCEN, the required first report has been completed and submitted to Congress. FinCEN response to CRS inquiry, September 20, 2022.

¹¹³ Pursuant to Section 6210, the Secretary's financial technology assessment is to be conducted in consultation with financial regulators, technology experts, national security experts, law enforcement, and any other group the Secretary determines is appropriate.

¹¹⁴ Pursuant to Section 6215(c), the Secretary's review and strategy are to be undertaken in consultation with the federal functional regulators, state bank supervisors, state credit union supervisors, and appropriate public- and private sector stakeholders. According to FinCEN, the required report has been completed and submitted to Congress. FinCEN response to CRS inquiry, February 9, 2024.

¹¹⁵ As authorized by AMLA, the Secretary of the Treasury may enter into a contract with a private third-party entity to carry out the study on trade-based money laundering. According to FinCEN, the required report has been completed and submitted to Congress. FinCEN response to CRS inquiry, February 9, 2024.

¹¹⁶ According to FinCEN, the required report has been completed and submitted to Congress. FinCEN response to CRS inquiry, February 9, 2024.

¹¹⁷ Pursuant to Section 6508, the Secretary's study is to be conducted with the Attorney General, in consultation with the heads of other relevant national security, intelligence, and law enforcement agencies. According to FinCEN, the required report has been completed and submitted to Congress. FinCEN response to CRS inquiry, February 9, 2024.

GAO Reporting Requirements

AMLA directed GAO to conduct several reports that examine the following topics:

- Financial services de-risking (§6215(b)).¹¹⁸
- Findings and determinations of annual audits of the procedures and safeguards established as part of the Treasury Department’s beneficial ownership registry process (§6403).¹¹⁹
- The effectiveness of incorporation practices implemented by AMLA to combat incorporation abuses and detect, prevent, or prosecute financial crimes (§6502(a)).¹²⁰
- Illicit finance risks posed by entities excepted from beneficial ownership reporting requirements (§6502(c)).¹²¹
- Beneficial ownership disclosure regimes for other legal entities, such as partnerships and trusts, formed or registered at the state level and an evaluation of illicit finance concerns (§6502(d)).¹²²
- Best practices on public-private partnership feedback loops for financial intelligence information sharing (§6503).¹²³
- The effectiveness of the CTR regime, the importance of CTRs to law enforcement, and the effects of raising the CTR threshold (§6504).¹²⁴
- The nexus of illicit actors (transnational criminal organizations, terrorists, and others), contraband trafficking (people, drugs, weapons, cash, child sexual exploitation materials, and other illicit goods), and the methods and typologies associated with corresponding illicit financial activity—as well as policy options to address “trafficking, illicit flows, laundering, and exploitation” (§6505(b)).¹²⁵
- How various payment systems and methods, including virtual currencies and online marketplaces, are used to facilitate human trafficking and drug trafficking (§6505(c)).¹²⁶

Policy Outlook

In conducting oversight and contemplating further legislative reforms to the U.S. AML framework, Congress may consider reviewing the status of AMLA implementation, including implementation of the CTA and FinCEN funding, and other changes to FinCEN’s policy priorities. In the 119th Congress, Members have introduced several bills related to FinCEN, the BSA and AML/CFT policy.

¹¹⁸ See GAO, *Bank Secrecy Act: Views on Proposals to Improve Banking Access for Entities Transferring Funds to High-Risk Countries*, GAO-22-104792, December 16, 2021.

¹¹⁹ See GAO, *Illicit Finance: Treasury’s Initial Safeguards for Allowing Access to Information on Corporate Ownership*, GAO-25-107403, February 2025.

¹²⁰ See GAO, *Anti-Money Laundering: Better Information Needed on Effectiveness of Federal Efforts*, GAO-24-106301, February 2024, reissued March 2024.

¹²¹ See GAO, *Illicit Finance: Treasury Should Monitor Partnerships and Trusts for Future Risks*, GAO-25-106955, December 2024.

¹²² See GAO, *Illicit Finance: Treasury Should Monitor Partnerships and Trusts for Future Risks*, GAO-25-106955, December 2024.

¹²³ See GAO, *Bank Secrecy Act: Action Needed to Improve DOJ Statistics on Use of Reports on Suspicious Financial Transactions*, GAO-22-105242, August 2022.

¹²⁴ See GAO, *Currency Transaction Reports: Improvements Could Reduce Filer Burden While Still Providing Useful Information to Law Enforcement*, GAO-25-106500, December 2024.

¹²⁵ See GAO, *Trafficking and Money Laundering: Strategies Used by Criminal Groups and Terrorists and Federal Efforts to Combat Them*, GAO-22-104807, December 21, 2021.

¹²⁶ See GAO, *Trafficking: Use of Online Marketplaces and Virtual Currencies in Drug and Human Trafficking*, GAO-22-105101, February 14, 2022.

Challenges in Meeting AMLA Implementation Requirements

Congressional oversight of AMLA implementation may focus on whether FinCEN can meet the statutory deadlines for regulatory activity and reporting requirements, as well as the perceived congressional intent of the legislation, including implementation of the CTA.¹²⁷ Immediately following AMLA’s enactment, its implementation status was a critical topic of concern—including during the April 28, 2022, hearing with then-Acting FinCEN Director Das, held by the House Committee on Financial Services.¹²⁸ Delays or aberrations from AMLA’s intended goals have raised questions regarding FinCEN’s ability or willingness to prioritize AMLA implementation. FinCEN attributes resource challenges as a driving factor that has delayed the agency’s ability to fully comply with AMLA’s requirements. FinCEN’s FY2026 budget justification states:

Timely and effective AMLA implementation continues to be among FinCEN’s top priorities and presents significant resource challenges given the diversity and complexity of the requirements, and the diverse set of government and non-government stakeholders that they affect.

FinCEN is working diligently with private sector and civil society stakeholders, as well as law enforcement and regulatory counterparts, to implement these numerous provisions to further the national security, financial integrity, and innovative strength of the United States.¹²⁹

Evolution of AMLA Implementation Priorities

Since AMLA’s enactment in January 2021, implementation priorities appear to have shifted. Key areas of AMLA implementation, as stated in FinCEN’s FY2026 budget justification, include the following:

1. Establishing national AML/CFT priorities, issuing regulations to implement those priorities and other related requirements, and ensuring enforcement of and compliance with the new requirements;
2. Enhancing whistleblower regulations to ensure a robust program to support and encourage whistleblowers that provide information regarding violations of the BSA and U.S. economic and trade sanctions;
3. Establishing an Office of Domestic Liaison;
4. Establishing foreign financial intelligence liaison positions;
5. Establishing “Innovation Officer” and “Information Security Officer” positions;
6. Consistent with the Administration’s deregulatory agenda, reviewing and revising CTR requirements, SAR requirements, and other existing BSA regulations and guidance;

¹²⁷ For competing viewpoints on the congressional intent of the CTA, see for example letter from Representatives Patrick McHenry and Blaine Luetkemeyer to Secretary of the Treasury Janet Yellen on April 7, 2021, https://financialservices.house.gov/uploadedfiles/04-07-21_letter_to_yellen_beneficial_ownership.pdf; and letter from Senators Sheldon Whitehouse and Charles Grassley to Secretary of the Treasury Scott Bessent, May 27, 2025, <https://www.whitehouse.senate.gov/wp-content/uploads/2025/05/2025-05-27-Whitehouse-Grassley-Comment-Letter-on-CTA-Interim-Final-Rule-SIGNED-FINAL.pdf>.

¹²⁸ Prepared statement by Himamauli Das, FinCEN Acting Director, before the House Committee on Financial Services, April 28, 2022, pp. 9, 11-12.

¹²⁹ U.S. Department of the Treasury, *Financial Crimes Enforcement Network: Congressional Budget Justification, FY2026*, <https://home.treasury.gov/system/files/266/11.-FinCEN-FY-2026-CJ.pdf>, p. 6.

7. Updating the BSA information technology (IT) systems to securely collect, store, process, and disseminate residential real estate information, which will be necessary to implement FinCEN's anti-money laundering regulations for certain residential real estate transfers;
8. Hosting a Financial Crimes Tech Symposium, and establishing two new Bank Secrecy Act Advisory Group (BSAAG) subcommittees to enhance public-private partnerships in the areas of innovation and technology as well as information security;
9. Publishing, at least semiannually, illicit finance threat pattern and trend information, which FinCEN implements through its "Financial Trend Analyses" products;
10. Further developing the newly created BSA Analytical Hub to maintain financial experts capable of identifying, tracking, and tracing money laundering and terrorist-financing networks to conduct and support civil and criminal AML/CTF investigations conducted by the U.S. Government;
11. Consistent with the Administration's deregulatory agenda, conducting a formal review of regulations and guidance implementing the BSA;
12. Establishing an ongoing, timely process to receive and evaluate requests from law enforcement to financial institutions to keep accounts open; and
13. Establishing an annual BSA training program for all Federal examiners in the United States.¹³⁰

Successive budget justifications since FY2022 have included a variation of this list. However, omitted for the first time in the FY2026 budget justification is reference to establishing standards for the reporting of beneficial ownership information, which had been the first enumerated entry in prior budget justification documents.¹³¹ Its omission is consistent with the Trump Administration's emphasis on deregulatory actions. White House press releases have highlighted CTA rulemaking revisions in 2025 as a key example of implementing the Trump Administration's deregulatory agenda.¹³²

As described in FinCEN's FY2026 budget justification, AMLA-required reviews of BSA regulations and guidance, including with respect to streamlining CTR and SAR reporting requirements (§6204), are likely to be conducted "[c]onsistent with the Administration's deregulatory agenda" (see entries 6 and 11).¹³³

New to the list of AMLA implementation priorities in FinCEN's FY2026 budget justification is reference to updating BSA IT systems for collecting information related to residential real estate transfers (entry 7). Although AMLA did not specifically require regulatory changes related to the

¹³⁰ U.S. Department of the Treasury, *Financial Crimes Enforcement Network: Congressional Budget Justification, FY2026*, <https://home.treasury.gov/system/files/266/11.-FinCEN-FY-2026-CJ.pdf>, p. 6.

¹³¹ FinCEN's FY2025 budget justification, for example, stated that the first of 14 key AMLA requirements was "1. Establishing standards for the reporting of BOI [Beneficial Ownership Information], building an information technology system to collect and secure the data, creating access protocols, and ensuring enforcement of and compliance with the new reporting requirements." U.S. Department of the Treasury, *Financial Crimes Enforcement Network: Congressional Budget Justification and Annual Performance Plan and Report, FY2025*, <https://home.treasury.gov/system/files/266/12.-FinCEN-FY-2025-CJ.pdf>, p. 6.

¹³² See, for example, White House, "White House Office of Management and Budget's Office of Information and Regulatory Affairs Releases End of Year Deregulatory Stats: Showing the Trump Administration Has Best Deregulation Year in History," December 19, 2025; President Trump's Deregulation Efforts Has Already Saved Families Thousands of Dollars," March 6, 2025.

¹³³ U.S. Department of the Treasury, *Financial Crimes Enforcement Network: Congressional Budget Justification, FY2026*, <https://home.treasury.gov/system/files/266/11.-FinCEN-FY-2026-CJ.pdf>, p. 6. See also prepared statement by Andrea Gacki, FinCEN Director, before the House Committee on Financial Services, September 9, 2025, p. 5.

real estate sector, Section 6102(c) expanded FinCEN’s authority to require and collect information from nonfinancial trades or businesses (31 U.S.C. §5138(a)(2)).¹³⁴

FinCEN Funding for AMLA Implementation

Section 6509 of AMLA authorizes appropriations for AMLA implementation. Specifically, AMLA authorizes the following amounts for FinCEN:

- \$136 million for FY2021;
- \$60 million for FY2022;
- \$35 million annually for FY2023-2026; and
- “such sums as may be necessary” to carry out the beneficial ownership information reporting requirements under 31 U.S.C. §5336 for each of the three fiscal years beginning on the effective date of beneficial ownership regulations required by AMLA.

As part of its annual appropriations activity, Congress may consider FinCEN’s requests for funding to facilitate AMLA implementation.¹³⁵

- For FY2021, the Treasury Department estimated that the minimum amount of new FinCEN funding necessary to implement AMLA, including the CTA, would be \$74.3 million; Congress, however, did not appropriate Treasury’s requested supplemental funding for AMLA implementation in FY2021.¹³⁶
- For FY2022, the President’s annual budget request included approximately \$190.5 million for FinCEN—of which FinCEN requested \$60.3 million specifically for AMLA implementation, including funding for 80 full-time equivalent (FTE) positions to implement AMLA.¹³⁷ Congress appropriated \$161 million to FinCEN in the Financial Services and General Government Appropriations Act, 2022.¹³⁸
- For FY2023, the President’s annual budget request included approximately \$210.3 million for FinCEN—of which FinCEN requested \$46.4 million specifically for AMLA implementation, including funding for 115 FTE positions

¹³⁴ FinCEN referenced this provision in its final rule, published in the *Federal Register* on August 29, 2024, entitled “Anti-Money Laundering Regulations for Residential Real Estate Transfers” (89 *Federal Register* 70258, footnote 11).

¹³⁵ Some Members of Congress have advocated for FinCEN to receive funding expressly for AMLA implementation. See, for example, Letter from Representative Maxine Waters, Chair of the House Financial Services Committee, to the Chair and Ranking Member of the House Appropriations Subcommittee on Financial Services and General Government Subcommittee, April 12, 2021; Letter from 14 Members of Congress to the Chair and Ranking Member of the House Appropriations Subcommittee on Financial Services and General Government, April 27, 2022; Letter from 23 Senators to the Chair and Ranking Member of the Senate Appropriations Subcommittee on Financial Services, May 12, 2022.

¹³⁶ “Appendix A: FinCEN – FY 2021 NDAA Cost Estimate (AML Act and CTA),” attached to letter from Representative Maxine Waters, Chair of the House Financial Services Committee, to the Chair and Ranking Member of the House Appropriations Subcommittee on Financial Services and General Government Subcommittee, April 12, 2021.

¹³⁷ U.S. Department of the Treasury, *Financial Crimes Enforcement Network: Congressional Budget Justification and Annual Performance Plan and Report, FY2022*, p. 4.

¹³⁸ Division E of the Consolidated Appropriations Act, 2022 (P.L. 117-103). In addition, Congress appropriated \$19 million to FinCEN in the Ukraine Supplemental Appropriations Act, 2022 (Division N of P.L. 117-103) and \$52 million to the Treasury Department in the Additional Ukraine Supplemental Appropriations Act, 2022 (P.L. 117-128), of which Treasury allocated \$22.3 million to FinCEN.

- to implement AMLA.¹³⁹ Congress appropriated approximately \$190.2 million to FinCEN in the Financial Services and General Government Appropriations Act, 2023.¹⁴⁰
- For FY2024, the President’s annual budget request included approximately \$228.9 million for FinCEN—of which FinCEN requested \$29.3 million specifically for AMLA implementation, including funding 60 FTE positions to implement AMLA.¹⁴¹ Congress appropriated approximately \$190.2 million to FinCEN in the Financial Services and General Government Appropriations Act, 2024.¹⁴²
 - For FY2025, the President’s annual budget request included approximately \$215.7 million for FinCEN—of which FinCEN requested approximately \$21 million and 15 FTE positions for AMLA implementation, including beneficial ownership information-related programming.¹⁴³ Congress continued funding FinCEN at the same levels as in FY2024, pursuant to the Full-Year Continuing Appropriations Act, 2025.¹⁴⁴
 - For FY2026, the President’s annual budget request included approximately \$190.2 million for FinCEN—of which FinCEN requested approximately \$17.6 million and 30 FTE positions for further AMLA implementation “and administration priorities.”¹⁴⁵

For FY2026, Division E of the Consolidated Appropriations Act, 2026, provides approximately \$185.2 million for FinCEN (P.L. 119-75). Earlier, on September 5, 2025, the House Committee on Appropriations reported the Financial Services and General Government Appropriations Bill, 2026 (H.Rept. 119-236, accompanying H.R. 5166). With respect to FinCEN funding, the committee recommended that FinCEN receive \$10 million less than requested in its FY2026 budget request (approximately \$180.2 million). Section 131 of that bill, if enacted, would have prohibited FinCEN from using any funds made available by the act “to implement or enforce beneficial ownership reporting rules pursuant to 31 U.S.C. 5336 that have been found by a Federal court to be unconstitutional or do not reflect Congressional intent, including reporting rules for small businesses and homeowners associations.”¹⁴⁶ The Senate Financial Services and General Government Appropriations Act, 2026 (S. 3290), if enacted, would have provided FinCEN with the full amount it requested (approximately \$190.2 million) and did not include a comparable provision on beneficial ownership reporting rules. The provision on beneficial ownership reporting rules was also not included in the Consolidated Appropriations Act, 2026.

¹³⁹ U.S. Department of the Treasury, *Financial Crimes Enforcement Network: Congressional Budget Justification and Annual Performance Plan and Report, FY2023*, p. 3.

¹⁴⁰ Division E of the Consolidated Appropriations Act, 2023 (P.L. 117-328).

¹⁴¹ U.S. Department of the Treasury, *Financial Crimes Enforcement Network: Congressional Budget Justification and Annual Performance Plan and Report, FY2024*, pp. 4-5.

¹⁴² Division B of the Further Consolidated Appropriations Act, 2024 (P.L. 118-47).

¹⁴³ U.S. Department of the Treasury, *Financial Crimes Enforcement Network: Congressional Budget Justification and Annual Performance Plan and Report, FY2025*, pp. 4-5.

¹⁴⁴ Division A of the Full-Year Continuing Appropriations and Extensions Act, 2025 (P.L. 119-4).

¹⁴⁵ U.S. Department of the Treasury, *Financial Crimes Enforcement Network: Congressional Budget Justification, FY2026*, p. 4.

¹⁴⁶ Section 131 also requires the Secretary of the Treasury to report to certain committees within 90 days of enactment on “the status and use of existing beneficial ownership information submitted by domestic entities after January 1, 2024 and currently held by the Department of the Treasury.”

Law Enforcement Implications for AMLA Implementation

AMLA provides U.S. law enforcement with several potentially powerful tools for combating money laundering. Various observers have commented on the *potential* for several such provisions to improve U.S. enforcement of BSA violations, including provisions to increase BSA penalties, strengthen whistleblower incentives, combat corruption, and expand subpoena powers for obtaining foreign bank records.¹⁴⁷ As AMLA implementation continues, more observers, as well as Members of Congress, may focus on questions related to how AMLA is improving U.S. efforts to investigate and prosecute financial crimes *in practice*. The practical effect of AMLA provisions on law enforcement outcomes has implications for the success of other U.S. policy initiatives, including counternarcotics.¹⁴⁸

As enacted, AMLA directs the Attorney General to play a key consultative role in the implementation of many of its provisions and requires the Attorney General to prepare certain reports—although not all such reports are required to be submitted to Congress. One annual reporting requirement, for example, requires the Attorney General to report to the Secretary of the Treasury on law enforcement use of BSA financial intelligence data (§6201). Congress may seek further information directly from the Department of Justice and other federal agencies to evaluate the measurable impact of AMLA’s implementation in terms of law enforcement outcomes in prosecuting money laundering and other BSA violations, as amended or added by AMLA.

Selected Legislation in the 119th Congress

In addition to AMLA implementation, there is congressional interest in further amending the U.S. AML/CFT framework through legislation.¹⁴⁹ While such congressional activity reflects the ongoing view of some observers that the U.S. AML/CFT regime requires further improvement, others may caution that enactment of additional measures could further challenge FinCEN’s ability to implement AMLA and achieve other strategic objectives.

In regards to the CTA, a number of bills introduced in the 119th Congress would variously seek to repeal, restrict, or promote implementation of the CTA.

¹⁴⁷ See, for example, Gibson Dunn, “The Top 10 Takeaways for Financial Institutions from the Anti-Money Laundering Act of 2020,” Client Alert, January 1, 2021, <https://www.gibsondunn.com/the-top-10-takeaways-for-financial-institutions-from-the-anti-money-laundering-act-of-2020/>; and Matthew Stephenson, “It’s Not Just the Corporate Transparency Act: Other Reasons to Welcome the Passage of the U.S. NDAA,” The Global Anticorruption Blog, January 12, 2021, <https://globalanticorruptionblog.com/2021/01/12/its-not-just-the-corporate-transparency-act-other-reasons-to-welcome-the-passage-of-the-u-s-ndaa/>. See also GAO, *Fraud in Federal Programs: FinCEN Should Take Steps to Improve the Ability of Inspectors General to Determine Beneficial Ownership Companies*, GAO-25-107143, April 2025.

¹⁴⁸ The Performance Review System Report, a component of the Biden Administration’s 2022 National Drug Control Strategy (as required by 21 U.S.C. §1705), for example, acknowledges that “a single source database that can track whole-of-government efforts against the illicit finance activities of the TCOs or their enablers” does not currently exist; however, efforts “to track all enforcement action and prosecutorial outcomes against the full FinCEN dataset” are underway in response to AMLA’s requirement for a more robust feedback mechanism between regulatory, national security, law enforcement, and financial industry partners on illicit finance risks and priorities. White House, Executive Office of the President, Office of National Drug Control Policy, *National Drug Control Strategy Performance Review System Report*, April 2022, pp. 32-33.

¹⁴⁹ See for example Section 9 of the GENIUS Act, P.L. 119-27, which requires the Secretary of the Treasury to seek public comment on identifying “innovative or novel methods, techniques, or strategies that regulated financial institutions use, or have the potential to use, to detect illicit activity, such as money laundering, involving digital assets”; to conduct research on such methods, techniques, and strategies; and report to Congress. FinCEN is also required, within three years of enactment, to issue public guidance and notice and comment rulemaking.

For example, in terms of bills restricting or opposing the CTA, the Repealing Big Brother Overreach Act (S. 100, H.R. 425) would repeal the CTA in simple terms. The FinCEN Oversight and Accountability Act of 2025 (H.R. 147) would mandate FinCEN must also hold an annual small business working group meeting to provide guidance on beneficial ownership reporting obligations. It also would extend for an additional five years the time period during which Treasury must testify before Congress regarding FinCEN’s anti-money laundering programs. Further, among other changes, it would mandate that the Secretary of the Treasury must report to the House Committee on Financial Services and the Senate Committee on Banking, Housing, and Urban Affairs “any unlawful activity of the Financial Crimes Enforcement Network and any corrective action taken or planned to address that activity and prevent such activity in the future.”¹⁵⁰ The Financial Privacy Act of 2025, H.R. 1602, among other changes, would require an annual report to Congress by the Treasury Secretary on the number of Bank Secrecy Act reports filed each year with FinCEN by type, and additional information.

The Protect Small Businesses from Excessive Paperwork Act of 2025 (H.R. 736, S. 505), which passed the House February 10, 2025—prior to the FinCEN interim final rule’s issuance—and was referred to the Senate Banking Committee, would change the deadline for filing beneficial ownership information reports for covered companies formed before January 1, 2024, to January 1, 2026.

In terms of bills supporting the CTA, the FinCEN–SBA Coordination on Beneficial Ownership Registration Act (H.R. 3829, S. 1995), introduced June 6, 2025, would assert a sense of Congress that full implementation of the Corporate Transparency Act is critical.¹⁵¹ The bill would also require the Director of FinCEN and the Administrator of the Small Business Administration to enter into a memorandum of understanding (MOU) to ensure the dissemination of information, especially to small businesses, about the information collection requirements that may apply to them under beneficial ownership reporting. It would also mandate regular joint reports by the head of the two agencies to Congress on various topics, including a description of actions taken under the MOU to provide outreach to reporting companies required to comply with beneficial ownership requirements, but which have failed to do so.¹⁵²

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¹⁵⁰ The FinCEN Oversight and Accountability Act of 2025, H.R. 147 Section 101(b), introduced Jan. 3, 2025.

¹⁵¹ H.R. 3829, S. 1995, Section 2(6).

¹⁵² H.R. 3829, S. 1995, Section 5(2).

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