

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

MEMORANDUM

To: Members of the Committee on Financial Services

From: FSC Majority Staff

Date: June 23, 2017

Re: June 28, 2017, Financial Institutions and Consumer Credit Subcommittee Hearing entitled “Examining the BSA/AML Regulatory Compliance Regime”

The Subcommittee on Financial Institutions and Consumer Credit will hold a hearing entitled “Examining the BSA/AML Regulatory Compliance Regime” on Wednesday, June 28, 2017, at 2:00 p.m. in room 2128 of the Rayburn House Office Building. This will be a one-panel hearing with the following witnesses:

- Ms. Faith Lleva Anderson, Senior Vice President & General Counsel, American Airlines Credit Union, on behalf of the Credit Union National Association
- Mr. Greg Baer, President, The Clearing House Association, Executive Vice President and General Counsel, The Clearing House Payments Company
- Mr. Lloyd DeVaux, President and CEO, Sunstate Bank, on behalf of the Florida Bankers Association
- Ms. Heather A. Lowe, Legal Counsel and Director of Government Affairs, Global Financial Integrity

The federal government’s primary weapon to fight money laundering is the Currency and Foreign Transactions Reporting Act of 1970, better known as the Bank Secrecy Act (BSA). The BSA requires U.S. financial institutions and U.S.-domiciled foreign banks to assist government agencies in their efforts to detect and prevent money laundering and terrorist financing. The BSA requires financial institutions to maintain records of purchases of negotiable instruments, file reports of cash transactions exceeding \$10,000 (daily aggregate amount) by means of a Currency Transaction Reports (CTRs), and to report suspicious activity that might

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signify money laundering, tax evasion, or other criminal activities by filing Suspicious Activity Reports (SARs).

This hearing will examine BSA compliance challenges facing financial institutions, including compliance trends, the effectiveness of current reporting requirements, and opportunities to improve and enhance the federal government's ability to combat money laundering and terrorist financing.

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