



United States House of Representatives  
One Hundred Nineteenth Congress  
Committee on Financial Services  
2129 Rayburn House Office Building  
Washington, DC 20515

June 9, 2026

The Honorable Andrea Gacki  
Director  
Financial Crimes Enforcement Network  
1500 Pennsylvania Avenue NW  
Washington, D.C. 20220

Dear Director Gacki:

We write to offer our views on the Financial Crimes Enforcement Network's (FinCEN) Notice of Proposed Rulemaking on Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Programs (hereinafter "the NPRM"). We believe the NPRM is a critical opportunity to prioritize risk in *Bank Secrecy Act* (BSA) implementation.

As you know, compliance is a regulatory burden for financial institutions that has grown untethered from AML/CFT outcomes, even as it imposes an estimated \$59 billion in costs annually across the sector.<sup>1</sup> Furthermore, antiquated filing thresholds and the manner in which the BSA is currently enforced drive compliance resources into the production of tens of millions of low-value filings. The NPRM aims to shift this focus, empowering financial institutions to evaluate risk and provide actionable intelligence rather than defensive reporting.

In order to deliver on this promise, we request FinCEN take into account the following considerations as it develops the final rule.

### **Bank Secrecy Act (BSA) Enforcement**

BSA enforcement emphasizes process over outcomes in both form and practice. By taking enforcement actions for failures that are irrelevant or low-value to law enforcement, and by regularly using enforcement powers to penalize them, supervisory agencies drive compliance resources into liability mitigation rather than the identification of AML/CFT risk. The *Anti-Money Laundering Act of 2020* (AMLA) requires a shift away from this enforcement paradigm. For too long, however, BSA implementation has neglected the direction Congress set under AMLA, undermining the credibility of our AML/CFT regime. The final rule should deliver on the principles AMLA laid out.

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<sup>1</sup> Forrester Consulting, *True Cost of Financial Crime Compliance Study, 2023: United States and Canada*, LEXISNEXIS RISK SOLUTIONS, (2023).

### **Suspicious Activity Reports (SAR)/Currency Transaction Report (CTR) Thresholds and Streamlined Requirements**

The emphasis on low-value reporting is also baked into the BSA's outdated filing thresholds. Given the NPRM's stated goal of focusing compliance on risk, we are deeply disappointed that FinCEN failed to address BSA filing thresholds.

At present, financial institutions must file a Currency Transaction Report (CTR) at \$10,000, with Suspicious Activity Reports (SAR) typically filed for transactions involving or aggregating \$5,000 or more. The former requirement has not been updated since the BSA was enacted over fifty years ago, while the latter was set in the 1990s. These thresholds lead to tens of millions of unused reports. In 2025, approximately 21.5 million CTRs were filed with FinCEN.<sup>2</sup> In 2024, the Government Accountability Office (GAO) found that only 5.4% of CTRs were even accessed by law enforcement and recommended that FinCEN adjust the threshold, a recommendation FinCEN agreed with.<sup>3</sup> Likewise, financial institutions filed approximately 4.8 million SARs in 2025,<sup>4</sup> four percent of which lead to law-enforcement follow-up inquiries according to available information.<sup>5</sup>

Given the number of unused reports, earlier this year the Committee advanced H.R. 1799, the *Financial Reporting Threshold Modernization Act*, sponsored by Rep. Barry Loudermilk, to increase these thresholds and index them for inflation. AMLA, as you know, required FinCEN to assess these thresholds on its own with an eye to raising them.<sup>6</sup> As FinCEN develops a final rule, it must prioritize the threshold increase.

FinCEN should also take the opportunity to streamline and tailor requirements around BSA filings. For instance, as GAO recommended, CTR content requirements should be simplified.<sup>7</sup> FinCEN should also take the opportunity to better clarify what SARs it does not need in order to assist financial institutions in better designing their AML/CFT programs. At a minimum, FinCEN's October 2025 Frequently Asked Questions on SAR requirements should be incorporated into the final rule. Further, the expectation to file SARs for classes of transactions that rarely lead to law enforcement action should be tailored to focus on truly high-risk behavior.<sup>8</sup>

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<sup>2</sup> *FinCEN Year In Review*, <https://www.fincen.gov/about-fincen/fincen-year-review> (last visited May 7, 2026).

<sup>3</sup> GOV'T ACCOUNTABILITY OFFICE, GAO-25-106500, CURRENCY TRANSACTION REPORTS: IMPROVEMENTS COULD REDUCE FILER BURDEN WHILE STILL PROVIDING USEFUL INFORMATION TO LAW ENFORCEMENT (2024).

<sup>4</sup> *FinCEN Year In Review*.

<sup>5</sup> BANK POLICY INSTITUTE, GETTING TO EFFECTIVENESS – REPORT ON U.S. FINANCIAL INSTITUTION RESOURCES DEVOTED TO BSA/AML & SANCTIONS COMPLIANCE (2018).

<sup>6</sup> Pub. L. No. 116-283 (2020), Sec. 6205.

<sup>7</sup> GAO-25-106500.

<sup>8</sup> *BSA Modernization Hearing* (written testimony of John Court).

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**Artificial Intelligence (AI)**

AI promises to revolutionize financial institutions' ability to identify risk and streamline reporting. Yet, all too often regulators have inhibited adoption, either requiring parallel processes that undermine its commercial rationale or otherwise discouraging its use. Encouragingly, the NPRM seeks to drive the adoption of new AML/CFT tools in line with AMLA's intent. We believe the final rule should seek to fully empower financial institutions to adopt AI throughout their AML/CFT programs. As money launderers and scammers adopt the latest tools of digitized finance, it is imperative that financial institutions are empowered to respond.

We are encouraged by the NPRM's aim to fundamentally shift BSA compliance from a pattern of box checking and low-value reporting to one that provides law enforcement with the information it needs to identify and stop financial crime. We look forward to continuing to work with you to develop a final rule that follows through on AMLA's mandates and meets the objectives set out in the NPRM.

Sincerely,



French Hill  
Chairman



Warren Davidson  
Chairman  
Subcommittee on National Security,  
Illicit Finance, and International  
Financial Institutions

CC: The Honorable Maxine Waters, Ranking Member  
The Honorable Joyce Beatty, Ranking Member, Subcommittee on National Security,  
Illicit Finance, and International Financial Institutions