



On January 1, 2021, Congress enacted the FY2021 National Defense Authorization Act (NDAA), which included significant reforms to the U.S. anti-money laundering (AML) regime. The NDAA includes the Anti-Money Laundering Act of 2020 (AML Act) and, within the AML Act, the Corporate Transparency Act (CTA).

The AML Act seeks to strengthen, modernize, and streamline the existing AML regime by promoting innovation, regulatory reform, and industry engagement through forums, such as the Bank Secrecy Act Advisory Group (BSAAG) and FinCEN Exchange. The Act also calls for FinCEN to work closely with our regulatory, national security, and law enforcement partners to identify risks and priorities and provide valuable feedback to our industry partners.

The CTA establishes uniform beneficial ownership reporting requirements for corporations, limited liability companies, and other similar entities formed or registered to do business in the United States. The CTA authorizes FinCEN to collect that information and share it with authorized government authorities and financial institutions, subject to effective safeguards and controls.

Many provisions of the AML Act and the CTA require rulemaking or periodic reporting to Congress on implementation efforts, assessments, and findings. Some key requirements include:

1. Establishing standards for the reporting of information on beneficial ownership, building an IT system to collect and secure the data, and creating access protocols;
2. Establishing national anti-money laundering and countering the financing of terrorism priorities;
3. Enhancing the whistleblower provisions to provide for a robust whistleblower program and new anti-retaliation protections;
4. Reviewing, and revising as appropriate, Currency Transaction Report (CTR) and Suspicious Activity Report (SAR) reporting requirements, and other existing Bank Secrecy Act (BSA) regulations and guidance;
5. Expanding BSA requirements and obligations to persons engaged in the trade of antiquities, and mandating a study on the potential expansion of BSA requirements to persons engaged in the art trade;
6. Codifying the FinCEN Exchange program;
7. Hosting a Financial Crimes Tech Symposium, and establishing new BSAAG subcommittees and a supervisory committee to address public-private partnerships;
8. Establishing a BSA Analytical Hub;
9. Law enforcement reporting to FinCEN on the use of BSA data, procedures for additional feedback between FinCEN and financial institutions on the usefulness of SARs, and semi-annual publication of review of SAR activity and other BSA reports, including threat patterns, trends, and typologies; and
10. Codifying a pilot program to allow financial institutions to share SARs with their foreign branches, subsidiaries, and affiliates.

Timely and effective AML Act implementation will be challenging and is FinCEN's top priority, and we are working diligently with our domestic and international industry partners and law enforcement and regulatory stakeholders to further the national security of the United States and protect the American people.