

## Financial Crimes Enforcement Network

### *Program Summary by Budget Activity*

Dollars in Thousands

Budget Activity	FY 2024 Operating Plan	FY 2025 Operating Plan	FY 2026 Request	FY 2025 to FY 2026 \$ Change	% Change
BSA Administration and Analysis	\$190,193	\$190,193	\$190,192	(\$1)	0.00%
<b>Subtotal, FinCEN</b>	<b>\$190,193</b>	<b>\$190,193</b>	<b>\$190,192</b>	<b>(\$1)</b>	<b>0%</b>
Reimbursables	\$3,144	\$6,000	\$5,500	(\$500)	-8.3%
Offsetting Collections (TEOAF)	\$18,800	\$0	\$0	\$0	NA
Unobligated Balances from Prior Years	\$89,000	\$103,300	\$103,300	\$0	0.0%
Transfers In/Out (Departmental Offices)	\$0	\$0	\$0	\$0	NA
<b>Subtotal Other Resources</b>	<b>\$110,944</b>	<b>\$109,300</b>	<b>\$108,800</b>	<b>(\$500)</b>	<b>-0.5%</b>
<b>Total Budgetary Resources</b>	<b>\$301,137</b>	<b>\$299,493</b>	<b>\$298,992</b>	<b>(\$501)</b>	<b>-0.2%</b>
Direct FTE	269	270	270	0	0.0%
Reimbursable FTE	2	3	3	0	0.0%
<b>Total Full-time Equivalents (FTE)</b>	<b>271</b>	<b>273</b>	<b>273</b>	<b>0</b>	<b>0.0%</b>

FY 2024 Full-time Equivalents (FTE) and Other Resources reflect actuals.

### *Summary*

The mission of the Financial Crimes Enforcement Network (FinCEN) is to safeguard the financial system from illicit activity, counter money laundering and the financing of terrorism, and promote national security through strategic use of financial authorities and the collection, analysis, and dissemination of financial intelligence. FinCEN is the primary Federal regulator and the administrator for the Bank Secrecy Act (BSA), which is part of the comprehensive legal architecture in the fight against money laundering and its related crimes. FinCEN plays two key roles in the U.S. financial regulatory, anti-money laundering and countering the financing of terrorism framework:

- First, FinCEN is the primary regulator and the administrator of the BSA, which is part of the comprehensive legal architecture in the fight against money laundering and its related crimes. FinCEN, through its administration of the BSA, is a global leader in both regulating money transmission, including that involving convertible virtual currency and has taken action against its illicit use.
- Second, FinCEN is the Financial Intelligence Unit, or FIU, of the United States.

The Fiscal Year (FY) 2026 President's Budget requests resources equal to the FY 2025 enacted level for the Financial Crimes Enforcement Network (FinCEN), a bureau of the Department of the Treasury (Treasury). This request includes resources for:

- Continuing implementation of the Anti-Money Laundering Act of 2020 (AMLA), which includes the Corporate Transparency Act (CTA) and is part of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (NDAA FY 2021), which calls on Treasury and FinCEN to strengthen, modernize, and streamline the existing anti-money laundering/countering the financing of terrorism (AML/CFT) regime so that it is more effective, risk-based, and focused on the highest-priority threats to U.S. national security;

- Strengthening FinCEN’s investigative and compliance teams to further implement several Administration objectives, including the financial disruption of international cartels and their enablers, as well as supporting efforts to impose maximum economic pressure on the Government of Iran;
- Establishing a team dedicated to combatting child smuggling, trafficking, and other illicit activity related to Unaccompanied Alien Children – which has been a priority for the Administration and members of Congress; and
- Further advancing the Administration’s deregulatory agenda.

### ***Budget Highlights***

Dollars in Thousands

	FTE	Amount
<b>FY 2025 Operating Plan</b>	<b>270</b>	<b>\$190,193</b>
<b>Changes to Base:</b>		
Maintaining Current Levels (MCLs):	0	\$306
Pay Annualization (2025 2.0% average pay raise)	0	\$306
Efficiency Savings	(30)	(\$17,857)
Workforce Optimization Reductions	(30)	(\$17,857)
<b>Subtotal Changes to Base</b>	<b>(30)</b>	<b>(\$17,551)</b>
<b>FY 2026 Current Services</b>	<b>240</b>	<b>\$172,642</b>
<b>Program Changes:</b>		
Program Increases:	30	\$17,550
Further AMLA Implementation and Administration Priorities	30	\$17,550
<b>Subtotal Program Changes</b>	<b>30</b>	<b>\$17,550</b>
<b>FY 2026 President's Budget Request</b>	<b>270</b>	<b>\$190,192</b>

### ***Budget Adjustments***

**Maintaining Current Levels (MCLs) .....+\$306,000 / +0 FTE**

Pay Annualization (2.0% in 2025) +\$306,000 / +0 FTE

Funds are requested for annualization of the January 2025 2.0% average pay raise.

**Program Efficiency .....-\$17,857,000 / -30 FTE**

Workforce Optimization Reductions -\$17,857,000 / -30 FTE

Staffing reductions achieved by employees electing to participate in the Deferred Resignation Program, other attrition, and eliminating or descoping some services contracts.

**Program Increases .....+\$17,550,000 / +30 FTE**

Further AMLA Implementation and Administration Priorities +\$17,550,000 / +30 FTE

If approved, FinCEN would apply the requested funds towards advancing Administration national security and law enforcement priorities and pursuing full implementation of AMLA, while implementing the Administration’s government efficiency objectives.

### *Advancing Administration National Security and Law Enforcement Priorities*

FinCEN is harnessing the full scope of its authorities under the Bank Secrecy Act (BSA) to implement the Administration's priorities related to, among other things, pursuing the total elimination of international cartels, securing our borders, imposing maximum pressure on the Government of Iran, combating terrorist financing, and disrupting cyber-enabled illicit activity. Among other accomplishments in these areas since January 20, 2025, FinCEN has:

- Issued two Advisories highlighting for financial institutions the various ways in which cartels generate and launder illicit proceeds to fund their criminal enterprises, including through bulk cash and crude oil smuggling. FinCEN's Advisories generate highly useful Suspicious Activity Reports (SARs) that FinCEN and its law enforcement and national security partners can use to target cartel activity.
- Issued a Geographic Targeting Order to further monitor the money laundering and other illicit activities of Mexico-based cartels and other criminal actors operating along the southwest border of the United States.
- Published a Financial Trend Analysis report pursuant to section 6206 of the AMLA, highlighting patterns and trends seen in BSA data linked to fentanyl-related illicit finance, highlighting a growing nexus to the People's Republic of China (PRC).
- Convened a FinCEN Exchange event, led by Secretary of the Treasury Bessent, with 16 systemically important global financial institutions, the Office of Foreign Assets Control (OFAC), and Federal law enforcement agencies focused on denying Iran access to the global financial system.
- Issued an Advisory to financial institutions on the financing of the Islamic State of Iraq and Syria (ISIS) and its global affiliates to further disrupt and seek to eliminate ISIS revenue sources and financial networks.
- Issued a notice of proposed rulemaking pursuant to Section 311 of the USA PATRIOT Act that identifies Cambodia-based Huione Group as a financial institution of primary money laundering concern, and proposes imposing special measures intended to sever its access to the U.S. financial system. Specifically, FinCEN found that Huione Group laundered at least \$4 billion worth of illicit proceeds between August 2021 to January 2025, including at least \$37 million worth of convertible virtual currency (CVC) stemming from North Korea cyber heists and more than \$300 million worth of CVC from other cyber scams, many of which targeted U.S. citizens.

### *Pursuing Full Implementation of the Anti-Money Laundering Act of 2020*

The NDAA FY 2021 included significant reforms to the U.S. AML/CFT regime through AMLA and the CTA. AMLA seeks to strengthen, modernize, and streamline the existing AML/CFT regime by promoting innovation, regulatory reform, and industry engagement through forums such as the Bank Secrecy Act Advisory Group (BSAAG) and FinCEN Exchange. AMLA also calls for FinCEN to work closely with its regulatory, national security, and law enforcement partners to better identify risks, prioritize efforts, and provide valuable feedback to industry and the general public. 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. The AMLA calls for, among other things:

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 Currency Transaction Report (CTR) requirements, SAR requirements, and other existing BSA regulations and guidance;
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 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.

Of particular note, section 6314 of the AMLA modified and enhanced the whistleblower provisions of the BSA by, among other things, significantly increasing the maximum possible award FinCEN can issue to eligible whistleblowers who voluntarily provide information to

FinCEN, the Department of Justice (DOJ), or the whistleblower's employer regarding certain violations of the BSA. Consistent with these statutory requirements, FinCEN established an Office of the Whistleblower that is responsible for receiving and adjudicating tips, complaints, and referrals; designing and implementing the policies and procedures of the whistleblower program; and processing award applications for eligible whistleblowers. The Anti-Money Laundering Whistleblower Improvement Act, which was enacted as part of the Consolidated Appropriations Act, 2023, P.L. 117-328, further enhanced FinCEN's whistleblower program by: (1) establishing a \$300 million revolving fund (Financial Integrity Fund) to pay eligible whistleblowers; (2) expanding the whistleblower program to include awards for violations of U.S. economic and trade sanctions programs, including, but not limited to, those targeting Russia and its malign activities; and (3) providing for the payment of awards to eligible whistleblowers that are equal to 10 to 30 percent of what has been collected of the monetary sanctions imposed in a covered enforcement action. FinCEN has experienced a notable increase in interest in participation in the whistleblower program with the annual volume of initial tips received roughly doubling since FY 2022 along with whistleblowers providing supplemental submissions to those tips.

#### *Application of Requested Funds*

If approved, the funding request will support the above-referenced Administration priorities and AMLA activities, including:

1. Legal and policy expert FTEs who can support FinCEN's comprehensive review of existing regulations and guidance with the goal of identifying opportunities to streamline the AML/CFT regime and reduce regulatory burden while ensuring that the BSA continues to provide highly useful information and safeguard U.S. national security;
2. Regulatory economist FTEs who are key to FinCEN's ability to further quantify the burden of its regulations and are necessary to develop regulatory impact analyses pursuant to Executive Orders (E.O.s) 12866 ("Regulatory Planning and Review") and 13563 ("Improving Regulations and Regulatory Review"), the Regulatory Flexibility Act (RFA), the Paperwork Reduction Act (PRA), the Unfunded Mandates Act (UMRA), the Congressional Review Act (CRA), and other applicable statutes;
3. FTEs with advanced analytic skills who can take a big data approach to identifying, tracking, and tracing money laundering and terrorist-financing networks to conduct and support civil and criminal AML/CFT investigations conducted by the U.S. Government;
4. FTEs and services for a new team dedicated to combatting child exploitation, smuggling, and trafficking, as well as fraud and other illicit activity relating to Unaccompanied Alien Children; and
5. FTEs to embed with law enforcement partners to support increasing efforts to counter drug cartels, protect the border, and stop the flow of fentanyl into the United States.
6. FTEs and technological enhancements to support the whistleblower program through:
  - a. administering and managing the Financial Integrity Fund, including disbursing awards in a timely and secure manner;

- b. enhancing existing systems to support additional case management functionality (including additional development related to the receipt of submissions of tips and award applications from the public) and assess any future requirements to securely share information with law enforcement partners; and
- c. recruiting personnel dedicated to the administration of the whistleblower program to review tips, adjudicate award applications, coordinate with DOJ and other relevant agencies, and engage in outreach and education campaigns with the public. Such funding will also help ensure that any tips related to cyber-crimes, corruption, cartels and drug trafficking, Russia, China, and other illicit finance and national security priorities are reviewed and referred to appropriate offices for investigation and prosecution in a comprehensive and swift manner.

#### *Implementing Government Efficiency Objectives*

Pursuant to the Executive Order *Implementing the President's Department of Government Efficiency Workforce Optimization Initiative*, FinCEN is evaluating our organizational structure to identify opportunities to restructure the bureau to operate more efficiently and effectively. Those changes remain under discussion and will be provided for appropriate notification and review when ready.

#### ***Legislative Proposals***

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FinCEN has no legislative proposals.