

Department of the Treasury
Financial Crimes Enforcement
Network

Congressional Budget
Justification

FY 2026

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Section I – Budget Request

A – Mission Statement

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, terrorism, other forms of illicit finance, and related crimes. FinCEN also serves as the Financial Intelligence Unit, or FIU, of the United States.

B – Summary of the Request

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 balances compliance burden on financial institutions with meeting 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; and
- Further advancing the Administration’s deregulatory agenda.

In FY 2022 and FY 2023, FinCEN was provided a total of \$48.3 million from Ukraine supplemental funding bills and internal transfers. During this time, FinCEN surged resources to address national security priorities associated with Russia’s invasion of Ukraine. This Ukraine supplemental funding expired at the end of FY 2023. FinCEN will utilize savings achieved through recent and ongoing government efficiency initiatives to continue its work in this mission area, while also maintaining or expanding the investigative tools and other resources upon which our staff, as well as our federal and international partners, have come to rely.

Table 1.1 – Appropriations Detail

Dollars in Thousands

Appropriated Resources	FY 2024 Operating Plan ¹		FY 2025 Operating Plan		FY 2026 Request		FY 2025 to FY 2026 % Change	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
New Appropriated Resources								
BSA Administration and Analysis	269	\$190,193	270	\$190,193	270	\$190,192	0.0%	0.0%
Subtotal New Appropriated Resources	269	\$190,193	270	\$190,193	270	\$190,192	0.0%	0.0%
Other Resources								
Reimbursables	2	\$3,144	3	\$6,000	3	\$5,500	0	-8.3%
Offsetting Collections (Non-reimbursable TEOAF)	0	\$18,800	0	\$0	0	\$0	NA	NA
Recoveries from Prior Years	0	\$0	0	\$0	0	\$0	NA	NA
Unobligated Balances from Prior Years	0	\$89,000	0	\$103,300	0	\$103,300	NA	0.0%
Resources from Other Accounts	0	\$0	0	\$0	0	\$0	NA	NA
Subtotal Other Resources	2	\$110,944	3	\$109,300	3	\$108,800	0.0%	-0.5%
Total Budgetary Resources	271	\$301,137	273	\$299,493	273	\$298,992	0.0%	-0.2%

¹ FY 2024 Full Time Equivalents (FTE) and Other Resources reflect actuals.

Table 1.2 – Budget Adjustments

Dollars in Thousands

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

C – Budget Increases and Decreases Description

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.

Efficiency Savings-\$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

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 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

The funds requested would 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.

Table 1.3 – Object Classification (Schedule O) Obligations

Dollars in Thousands

Object Classification	FY 2024 Actual Obligations	FY 2025 Estimated Obligations	FY 2026 Estimated Obligations
11.1 - Full-time permanent	41,636	42,354	43,736
11.3 - Other than full-time permanent	171	150	150
11.5 - Other personnel compensation	1,515	1,140	1,140
11.9 - Personnel Compensation (Total)	43,322	43,644	45,026
12.0 - Personnel benefits	15,302	16,174	16,750
Total Personnel and Compensation Benefits	\$58,624	\$59,818	\$61,776
21.0 - Travel and transportation of persons	783	750	500
22.0 - Transportation of things	30	0	0
23.1 - Rental payments to GSA	5,084	5,200	5,200
23.2 - Rental payments to others	61	50	50
23.3 - Communications, utilities, and miscellaneous charges	2,692	5,210	3,000
24.0 - Printing and reproduction	451	417	100
25.1 - Advisory and assistance services	5,678	25,600	20,000
25.2 - Other services from non-Federal sources	88,947	105,098	74,691
25.3 - Other goods and services from Federal sources	18,147	39,500	64,500
25.4 - Operation and maintenance of facilities	28	25	25
25.6 - Medical care	195	200	200
25.7 - Operation and maintenance of equipment	10,532	9,000	7,000
26.0 - Supplies and materials	190	150	150
31.0 - Equipment	6,082	3,000	3,000
99.5 - Adjustment for rounding	1	0	0
Total Non-Personnel	\$138,901	\$194,200	\$178,416
Total Obligations	\$197,525	\$254,018	\$240,192
Full-time Equivalents (FTE)	271	273	273

FY 2024 amounts reflect obligations of annually appropriated resources, carryover balances, reimbursables, and transfers from TEOAF

FY 2025 and FY 2026 do not include transfers from TEOAF.

D – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p>DEPARTMENT OF THE TREASURY FINANCIAL CRIMES ENFORCEMENT NETWORK</p> <p><i>Federal Funds</i></p> <p><i>SALARIES AND EXPENSES</i></p> <p><i>For necessary expenses of operations of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel and training expenses of non-Federal and foreign government personnel to attend meetings and training concerned with domestic and foreign financial intelligence activities, law enforcement, and financial regulation; services authorized by 5 U.S.C. 3109; not to exceed \$25,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, \$190,192,000 of which not to exceed \$55,000,000 shall remain available until September 30, 2028.</i></p> <p>Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).</p>	

E – Legislative Proposals

FinCEN has no legislative proposals.

Section II – Additional Information

A – Summary of Capital Investments

As the administrator of the BSA, FinCEN receives valuable information reported and collected under BSA requirements, which totaled nearly 28 million BSA filings in FY 2024. To successfully fulfill its mission, FinCEN relies on secure, advanced IT systems to manage the collection, processing, storage, analysis, and dissemination of BSA information that contributes to the protection of, and confidence in, the U.S. financial system.

FinCEN's IT strategy accounts for the growing need for financial institutions and other reporting companies to meet compliance obligations efficiently while ensuring that FinCEN and law enforcement agencies receive accurate, timely, and useful BSA and beneficial ownership information to trace the proceeds of crime, identify money laundering, and unravel terrorist and other illicit financial networks. FinCEN's IT strategy also focuses on the need to implement flexible and innovative technical solutions that improve the quality and accessibility of its data and increase responsiveness to stakeholders.

In FY 2024, FinCEN migrated several of its key mission-essential applications to the FedRamp-High Government Cloud environment, as well as to the Treasury Multi-Factor Authentication (MFA) solution. For example, FinCEN transitioned its BSA Portal and Search applications,

which provide approximately 13,000 authorized law enforcement and regulators direct access to BSA data. FinCEN also introduced a Financial Industry (FI) Portal to enable MFA for Financial Institutions that must adhere to the Patriot Act's 314(a) and 314(b) mandates, as well as respond to requests for additional information pursuant to the BSA.

Finally, FinCEN recently expanded its IT architecture to include the resources necessary to securely collect, process, store, and disseminate Beneficial Ownership Information (BOI) pursuant to the CTA. On January 1, 2024, FinCEN deployed the Beneficial Ownership IT Systems within budget and on schedule. This included obtaining Authority to Operate the BOI architecture and deployment in FinCEN's FedRAMP-High Government Cloud environment, which allows FinCEN to securely collect, process, store, and disseminate Beneficial Ownership Information to authorized users.