

U.S. Department of the Treasury  
Financial Crimes Enforcement Network

**FinCENnews**

FinCEN's web site is located at: <http://www.fincen.gov>



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**FinCEN Report to Congress states that the reporting of cross-border wire transfer data is technically feasible for the government but requires further collaboration**

The Financial Crimes Enforcement Network today announced that the Department of the Treasury has delivered a Congressionally mandated report to Capitol Hill stating that the reporting of cross-border wire transfer data by financial institutions is technically feasible for the government and may be valuable to the government's efforts to combat money laundering and terrorist financing. The report outlines an inclusive and incremental approach to resolving remaining technical and policy issues that relate to whether and how to implement a regulatory requirement for the reporting of cross-border wire transfer data.

"FinCEN is firmly committed to working with the financial services industry and our partners in the regulatory and law enforcement communities to consider the design and implementation of a suitable and efficient potential reporting regime," said William F. Baity, FinCEN's Acting Director. "I believe this inclusive, step-by-step approach will allow us to determine the right balance between providing real anti-money laundering and anti-terrorist financing benefits without imposing a burden and will go a long way in helping our efforts to protect our economic and national security."

The FinCEN report is the result of an extensive study of the technical feasibility to the government of imposing a requirement that U.S. financial institutions report to FinCEN records that financial institutions currently maintain concerning international wire transfers. FinCEN also began a process of assessing the potential value in collecting such information and evaluated opportunities for combining the data with other Bank Secrecy Act data. In the report, which is required by the Intelligence Reform and Terrorism Prevention Act of 2004, FinCEN proposes an incremental process which includes spending the next year studying and resolving the remaining issues. Specifically, FinCEN will conduct a cost-benefit analysis with the participation of both the financial services industry and law enforcement, to determine and quantify both the benefits to the public of such a system and the costs to all parties affected by any such potential regulatory requirement. FinCEN also will work to ensure that all technical capacity and privacy concerns are addressed. This research will provide the foundation on which policy makers will make a final decision whether to implement such a requirement. If policy makers choose to proceed, that decision would be followed by an administrative rulemaking allowing for public comment.

Section 6302 of the Intelligence Reform and Terrorism Prevention Act of 2004 directs the Secretary of the Treasury to study the feasibility of "requiring such financial institutions as the Secretary determines to be appropriate to report to the Financial Crimes Enforcement Network certain cross-

border electronic transmittals of funds, if the Secretary determines that reporting of such transmittals is reasonably necessary to conduct the efforts of the Secretary against money laundering and terrorist financing.”

Attachment

[Feasibility of a Cross-Border Electronic Funds Transfer Reporting System under the Bank Secrecy Act](#)