

Timeline

1970 - Present

1970

Large currency deposits of illicit profits

Bank Secrecy Act (BSA) enacted

1974

Constitutionality of Bank Secrecy Act questioned

U.S. Supreme Court holds BSA to be constitutional

1986

Constitutionality of Bank Secrecy Act questioned

U.S. Supreme Court holds BSA to be constitutional

1990

Constitutionality of Bank Secrecy Act questioned

U.S. Supreme Court holds BSA to be constitutional

1992

Law enforcement needs more information on suspicious transactions to support financial investigations

Enact Annunzio-Wylie Money Laundering Suppression Act - Suspicious activity reporting required

1994

Law enforcement focuses on criminal abuse of MSBs CTR exemption process is a burden for financial community

Enact Money Laundering Suppression Act - MSB registration CTR filing required

1994

Improve cooperation and coordination between regulatory, financial and law enforcement communities

Merge Treasury's Office of Financial Enforcement with FinCEN - FinCEN's Mission expanded to include regulatory authority

1998

Improve coordination of federal, state and local efforts and resources to combat financial crimes

Enact Money Laundering & Financial Crimes Strategy Act - National Money Laundering strategy established - HIFCA system created

2000

Law enforcement needs more information on

MSBs required to file suspicious Activity

money transmitters, and issuers, sellers and redeemers of money

Reports (SARs)

2001

Terrorists attack the World Trade Center & Pentagon

Enact PATRIOT Act
- Information Sharing
- Registration requirements for underground money transmitters

2002

Institutions are front line against money laundering and terrorist financing

Most financial institutions receive a new or amended AML Program requirement

2002

Law enforcement needs more information on casinos

Casinos required to file SARs

2002

Importance of information sharing recognized

Sharing between institutions is protected, and between institutions and government is required

2002

Foreign shell banks recognized as threat

Termination of accounts for shell banks and certification by foreign correspondents required

2002

Financial institutions seek to expedite reporting process, reduce costs in complying with BSA requirements

PATRIOT Act Communications System (PACS) launched
- Financial institutions can file BSA reports electronically

2002

PATRIOT Act expands regulatory definition of "financial institution"

Brokers and dealers in securities must file SARs

2003

Need to protect more MSBs from financial crimes

Currency Dealers and Exchangers required to file SARs

2003

Identification requirement strengthened

Customer Identification Programs required for most financial institutions

2003

Need to protect casinos from money launderers

*Casinos and card clubs required to file SARs
- includes those operated on tribal lands*

2003

FinCEN expands regulatory definition of "financial institution"

Futures commission merchants, introducing brokers in commodities required to report suspicious transactions

2004

U.S. financial system needs additional protection from risks of financial crime posed by foreign agents

MSBs receive guidance for dealing with foreign agents and foreign counterparts

2005

Certain account services need greater scrutiny

Due diligence requirements for private banking and foreign correspondent

2005

Improve management of BSA data, from filing and storage to retrieval and analysis

*PACS renamed as BSA E-Filing
- 25% of BSA filings and 40% of SARs are e-filed as of March 2005*

2005

Improve collaboration and information sharing between federal and state agencies

*FinCEN, 29 states sign Memoranda of Understanding (MOU)
- established information sharing agreements*

2005

Jewelry industry needs protection against financial crime

Jewelers, dealers in precious metals and stones required to establish anti-money laundering (AML) programs

2005

Increased international effort to combat money laundering, terrorist financing

Egmont Group of financial intelligence units exceeds 100-member mark

2005

Need to ensure consistent application of BSA to all banking organizations

Federal banking agencies release BSA/AML Examination Manual

2005

Need to protect insurance industry from financial crimes

Certain insurance companies required to establish AML programs, file SARs

2006

Need to protect mutual funds from financial crimes

Mutual funds required to file SARs

2007

Certain account services need greater scrutiny

Enhanced due diligence is required for certain foreign correspondent banks