

Financial Crimes Enforcement Network (FinCEN) Year in Review for FY 2022



The mission of FinCEN is to safeguard the financial system from illicit use, combat money laundering and its related crimes including terrorism, and promote national security through the strategic use of financial authorities and the collection, analysis, and dissemination of financial intelligence.



FinCEN Year in Review for FY 2022

Bank Secrecy Act Data Advances Law Enforcement Mission*

Internal Revenue Service - Criminal Investigation

FY22
15.8% of all investigations were the direct result of BSA data

FY22
84.2% of all investigations have BSA filings related to the primary subject

FY20-FY22
83.2% of investigations recommended for prosecutions have a primary subject with a related BSA filing

The average sentence was **38 months**

\$7.7B in asset seizures

\$225M in asset forfeiture & **\$256M** in restitution

U.S. Department of Justice (DOJ)

DOJ has run millions of queries in the past six years

BSA filings from 10/1/20 to 7/31/22 supported a significant portion of FBI-led investigations

46% of active transnational organized crime investigations	39.6% of active Organized Crime Drug Enforcement Task Force investigations with FBI participation	36.3% of active complex financial crimes investigations	27.5% of active public corruption investigations	20.6% of active international terrorism investigations	15.7% of active FBI investigations
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Suspicious Activity Report (SAR) Review Teams

SAR review teams consist of DOJ attorneys and law enforcement with the aim to prevent future terrorist attacks, disrupt and dismantle criminal enterprises, combat money laundering, strengthen the U.S. financial system through the enforcement of the BSA, facilitate interagency cooperation and information sharing, gather intelligence, and improve communications among law enforcement agencies and the financial community. SAR review teams generally meet to discuss their analysis of recent SAR filings, share information, deconflict potential targets, refer SARs to other agencies for follow-up, and provide feedback to financial institutions in their districts, among other things.

SAR review teams cover most of the **94** federal judicial districts and reported the following:

many investigations originate wholly from SARs.

many crimes would never be discovered without BSA data.

BSA reports yield valuable information about targets' specific financial activities, which can, in turn, lead to the identification of, among other things; (i) other targets; (ii) assets for seizure and forfeiture; and (iii) victims.

“HSI special agents are committed to using all legally available tools, information, and resources to **protect the Homeland. BSA data**, when combined with other investigative information, can **illuminate crimes** committed by transnational criminal organizations: child exploitation, cybercrime, narcotics, human smuggling, weapons trafficking, and various financial crimes. We will continue to **leverage BSA data** in the suite of tools HSI utilizes to **protect the American people** from dynamic transnational threats. **”**

- Steve Francis, HSI Acting Executive Associate Director

*All statistics are approximate.








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Reports Required by Law

Reporting Financial Institutions and Other E-Fileers

FinCEN receives reports from **260,000** registered financial institutions and other e-filers.

FY22 Filings	 SARs	 Currency Transaction Reports (CTRs)	 Currency and Other Monetary Instrument Reports	 Report of Cash Payments >\$10K Received in a Trade or Business	 Foreign Bank and Financial Accounts
Approximate Total for FY22	4.3M	20.6M	128,100	431,800	1.5M
Average Daily Total	11,800	56,500	350	1,100	4,100

FY22 Filings	Depository Institutions	Money Services Businesses (MSB)	Other*	Casinos/Card Clubs	Securities/Futures	Loan or Finance Companies	Insurance Companies
Approximate Total Number of SARs	2.279M	1.365M	475K	71K	69K	57K	4K
Approximate Total Number of CTRs	17.472M	727K	300K	2.086M	3K	N/A	N/A

*The "other" category includes filings by depository institution holding companies; dealers in precious metals, precious stones, or jewels; operators of credit card systems; loan or finance companies; and housing government sponsored enterprises.

SARs: The top 10 filers of SARs filed approximately 52% of all FY22 SARs.

CTRs: The top 10 filers of CTRs filed approximately 39% of all FY22 CTRs.

FY22 SAR Activity Type											
	Other Suspicious Activities	Money Laundering	Fraud	Structuring	Identification Documentation	Cyber Event	Gaming Activities	Mortgage Fraud	Securities/Futures/Options	Terrorist Financing	Insurance
Approx. Total**	4.375M	2.927M	2.072M	1.499M	391K	57K	48K	47K	15K	2K	1.5K

**An individual SAR may have more than one SAR activity type.

Authorized Access to BSA Data



Collectively, **472** federal, state, and local law enforcement, regulatory, and national security agencies have access to BSA reports and FinCEN Query, and over **25,000** authorized personnel have access to the BSA data.



In FY22, authorized users conducted over **2.3 million** searches using FinCEN Query.

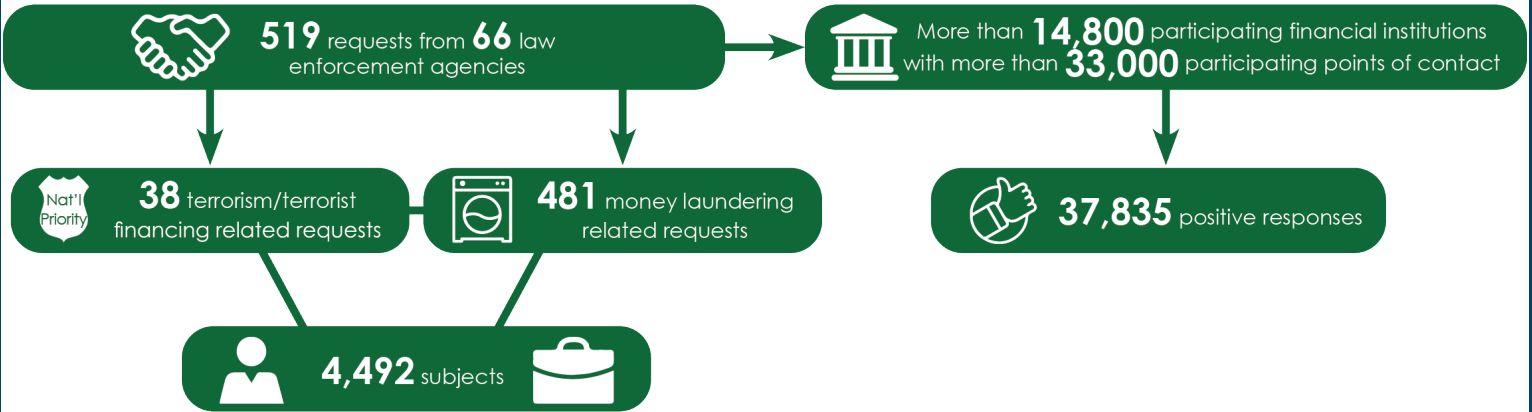


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314(a) and 314(b) Information Sharing Programs

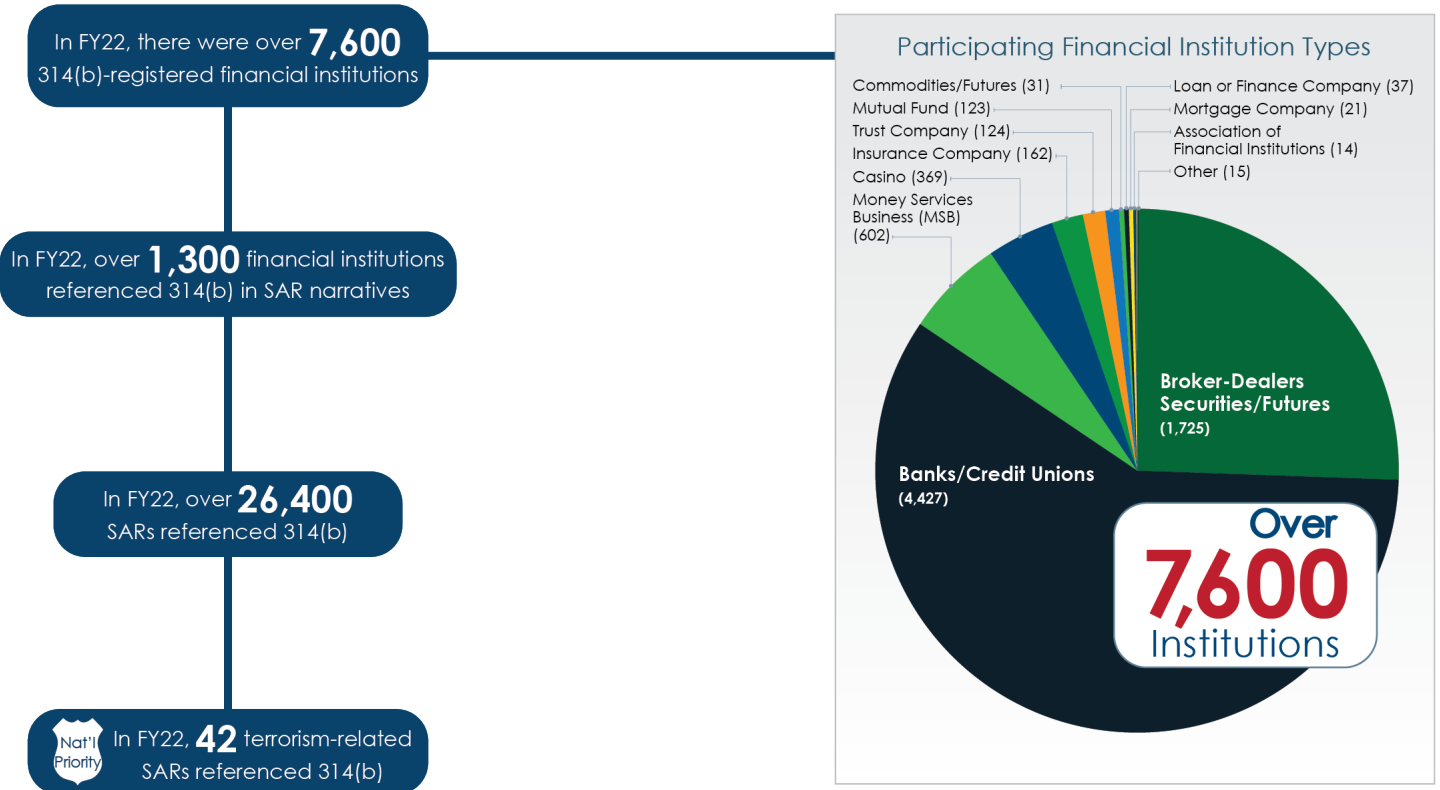
Section 314(a) enables federal, state, local, and foreign law enforcement agencies, through FinCEN, to reach out to financial institutions to locate accounts and transactions of persons that may be involved in terrorism or money laundering.

Section 314(a) Requests in FY22



Section 314(b) permits financial institutions, upon registration with FinCEN, to collaboratively work with one another in order to identify and report to the federal government activities that may involve money laundering or terrorist activity.

Section 314(b)



“Section 314(b) of the USA PATRIOT Act allows banks to share information about financial activity with other institutions. This voluntary information sharing helps banks of all sizes better identify and report suspicious activity to FinCEN, thereby strengthening FinCEN’s ability to combat money laundering and terrorist activities.”

– American Bankers Association



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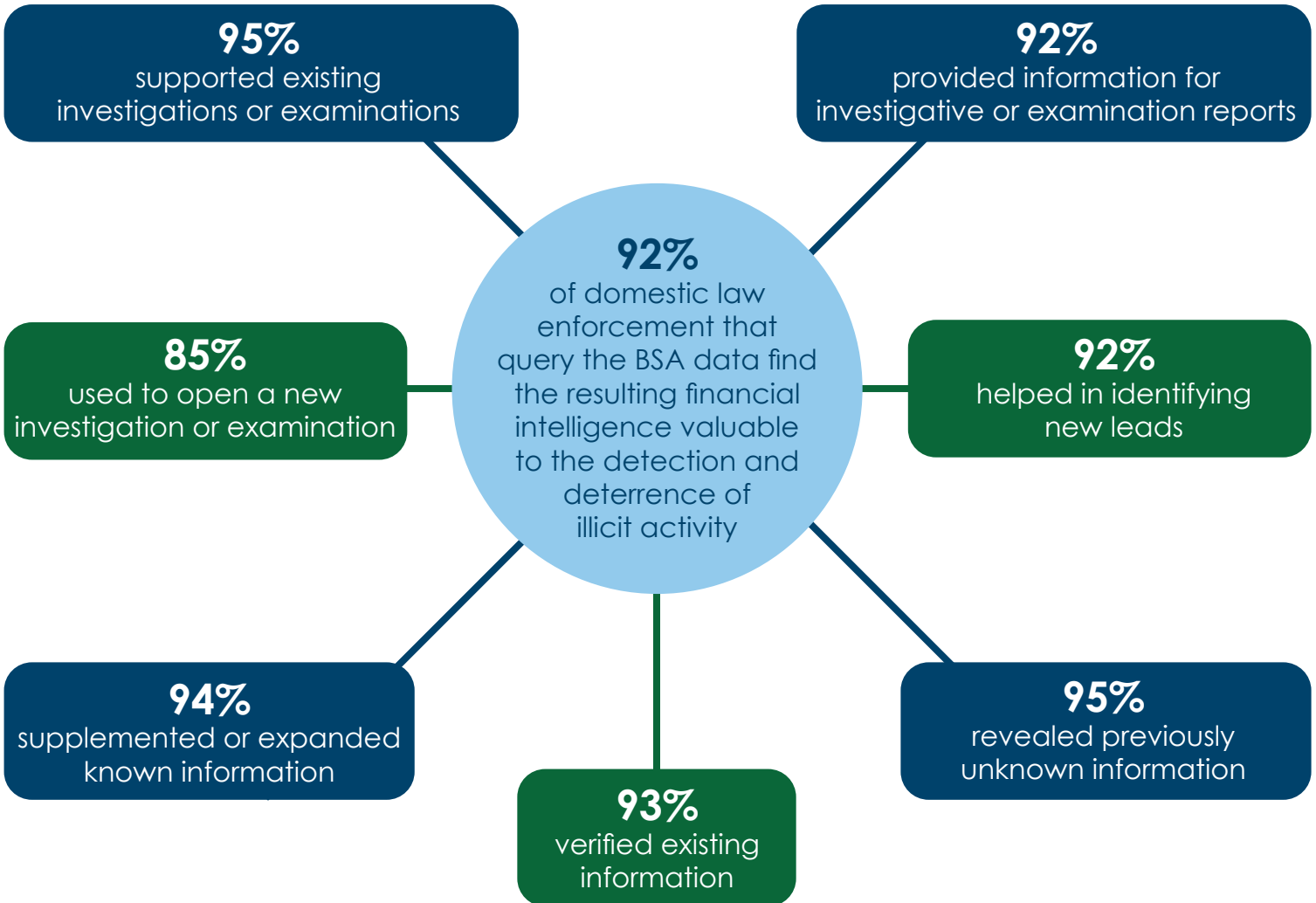
FinCEN's Law Enforcement Awards Program

FinCEN holds its Law Enforcement Awards ceremony annually to recognize successfully prosecuted cases. The program recognizes law enforcement agencies that made effective use of financial institution reporting to obtain a successful prosecution and to demonstrate to the financial industry the value of its reporting to law enforcement.



Information Gained from FinCEN's FY22 Portal Query Performance Measure Survey

FinCEN sent a FinCEN Portal Query Performance Measure survey to 13,425 FinCEN Portal Query users in FY22 and received 1,301 responses (9.7% response rate). From those responses, FinCEN gained the following information:





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Financial Institution Advisory Program

FinCEN, through its Financial Institution Advisory Program, issues public and non-public advisories, alerts, and notices to U.S. financial institutions concerning money laundering or terrorist financing threats and vulnerabilities for the purpose of enabling financial institutions to guard against such threats.

FY22 Advisories

	Ransomware and the Use of the Financial System to Facilitate Ransom Payments Published: Nov. 8, 2021	Kleptocracy and Foreign Public Corruption Published: April 14, 2022	Elder Financial Exploitation Published: June 15, 2022
SARs filed in FY22 that reference the Advisory	826	74	19,395

FY22 Alerts

	Potential Russian Sanctions Evasion Attempts Published: March 7, 2022	Real Estate, Luxury Goods, and Other High Value Assets Involving Russian Elites, Oligarchs, and their Family Members Published: March 16, 2022	Potential Russian and Belarusian Export Control Evasion Attempts Published: June 28, 2022
SARs filed in FY22 that reference the Alert	923	195	62

FY22 Notices

	Environmental Crimes and Related Financial Activity Published: Nov. 18, 2021
SARs filed in FY22 that reference the Notice	89

FinCEN Exchange



8

FinCEN Exchange events



474

representatives from financial institutions, law enforcement, and federal government agencies



Topics/areas of focus: BSA SAR statistics, environmental crimes, Russia/Ukraine crisis response, and sanctions evasion

Rapid Response Program



806

requests



85

foreign jurisdictions

\$174.2M

frozen, which is more than 49% of funds reported to the Rapid Response Program in FY22



FY22 Regulatory Actions and Other Public Guidance



3

Final Rules



2

Notices of Proposed Rulemaking



1

Request for Information



5

Significant Public Guidance and Exemptive Relief



3

FATF Press Releases



6

OMB Control Number Renewal Notices

“**The beneficial ownership reporting final rule** is a significant step forward in our efforts to support national security, intelligence, and law enforcement agencies in their work to curb illicit activities,” said Acting FinCEN Director Himamauli Das. “It will also play an important role in protecting American taxpayers and businesses who play by the rules, but are repeatedly hurt by criminals that use companies for illegal reasons.”



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Glossary

Bank Secrecy Act (BSA) –

The Currency and Foreign Transactions Reporting Act of 1970—which legislative framework is commonly referred to as the “Bank Secrecy Act” (BSA)—requires U.S. financial institutions to assist U.S. government agencies to detect and prevent money laundering. Specifically, the act requires financial institutions to keep records of cash purchases of negotiable instruments, file reports of cash transactions exceeding \$10,000 (daily aggregate amount), and to report suspicious activity that might signify money laundering, tax evasion, or other criminal activities. It was passed by the Congress of the United States in 1970. The BSA is sometimes referred to as an “anti-money laundering” (AML) law or jointly as “BSA/AML.” Several acts, including provisions in Title III of the USA PATRIOT Act of 2001, and the Anti-Money Laundering Act of 2020, have been enacted up to the present to amend the BSA.

BSA Forms –

Suspicious Activity Reports (SARs)

Certain financial institutions are required to file SARs for certain activity. For example, banks are required to file SARs in the following circumstances:

- Transactions conducted or attempted by, at, or through the bank and aggregating \$5,000 or more, if the bank knows, suspects, or has reason to suspect that the transaction:
 - Involves potential money laundering or other illegal activity (e.g., terrorism financing).
 - Is designed to evade the BSA or its implementing regulations.
 - Has no business or apparent lawful purpose or is not the type of transaction that the particular customer would normally be expected to engage in, and the bank knows of no reasonable explanation for the transaction after examining the available facts, including the background and possible purpose of the transaction.

Currency Transaction Reports (CTRs)

Financial institutions are required to report currency (cash or coin) transactions over \$10,000 conducted by, or on behalf of, one person, as well as multiple currency transactions that aggregate to be over \$10,000 in a single day. These transactions are reported on CTRs.

Currency and Other Monetary Instrument Reports (CMIRs)

Travelers and currency transporters are required to file a CMIR when entering or departing or shipping or receiving from/to the United States an aggregate amount of currency or other monetary instruments exceeding \$10,000.

Report of Cash Payments Over \$10,000 in a Trade or Business (Form 8300)

A trade or business must file Form 8300 if it receives more than \$10,000 in cash in a single transaction or in related transactions.

Report of Foreign Bank and Financial Accounts (FBARs)

A United States person that has a financial interest in or signature authority over foreign financial accounts must file an FBAR if the aggregate value of the foreign financial accounts exceeds \$10,000 at any time during the calendar year.

Financial Institution Advisory Program –

As part of fulfilling its mission to safeguard the U.S. financial system and promote national security, FinCEN, through its Financial Institution Advisory Program, issues public and non-public advisories, alerts, and notices to U.S. financial institutions concerning money laundering or terrorist financing threats and vulnerabilities for the purpose of enabling financial institutions to guard against such threats.

- **Advisories:** A comprehensive overview of an illicit finance threat, often related to broader national security issues. FinCEN began issuing advisories in 1996.
- **Alerts:** A targeted description of a time-sensitive scheme or threat facing U.S. financial institutions. FinCEN began issuing alerts in 2020, initially to raise immediate awareness of a convertible virtual currency scheme.
- **Notices:** A more narrowly focused and targeted summary of a specific illicit finance scheme or threat that is either emerging or, conversely, particularly prevalent but which could be prevented or mitigated by U.S. financial institutions with greater awareness. FinCEN began issuing notices in 2020, initially to address the onset of the COVID-19 Pandemic.

FinCEN Exchange –

FinCEN Exchange is a voluntary public-private information-sharing partnership among law enforcement agencies, national security agencies, financial institutions, and FinCEN to effectively and efficiently combat money laundering, terrorism financing, organized crime and other financial crimes; protect the financial system from illicit use; and promote national security. The objective of FinCEN Exchange is to develop, deliver, and sustain innovative public-private information sharing in order to enable the private sector to better identify risks and provide FinCEN and law enforcement with critical information to disrupt money laundering, terrorism financing, and other financial crimes. FinCEN operates FinCEN Exchange under all permissible legal authorities, including those under the Anti-Money Laundering Act of 2020, such as the provisions that permit FinCEN to enforce the confidentiality of information shared during a FinCEN Exchange.

FinCEN Query/Agency Integrated Access –

FinCEN Query is a tool designed to facilitate authorized users’ ability to access and analyze FinCEN data. FinCEN Query allows users to access, query, and analyze FinCEN data; apply filters and narrow search results; utilize enhanced data; and import lists of data (e.g., names, identification numbers, and addresses). FinCEN Query users represent only a fraction of users who access FinCEN data through FinCEN’s portal. Agency Integrated Access users access FinCEN data through their agencies’ own audited protected systems.

Rapid Response Program –

Through the Rapid Response Program (RRP), FinCEN helps victims and their financial institutions recover funds stolen as the result of certain cyber-enabled financial crime schemes, including business e-mail compromise. This RRP is a partnership among FinCEN, U.S. law enforcement (including the FBI, the U.S. Secret Service, Homeland Security Investigations, and the U.S. Postal Inspection Service), and, foreign partner agencies that, like FinCEN, are the FIUs of their respective jurisdictions. FinCEN uses its authority to share financial intelligence rapidly with counterpart FIUs and encourages foreign authorities to interdict the fraudulent transactions, freeze funds, and stop and recall payments using their authorities under their own respective legal and regulatory frameworks.



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Section 314(a) –

FinCEN's regulations under section 314(a) enable federal, state, local, and foreign law enforcement agencies, through FinCEN, to reach out to financial institutions to locate accounts and transactions of persons that may be involved in terrorism or money laundering.

Section 314(b) –

FinCEN's regulations under section 314(b) permit financial institutions, upon providing notice to FinCEN, to share information with one another in order to identify and report to the federal government activities that may involve money laundering or terrorist activity.