

Report to Congressional Committees

December 2024

CURRENCY TRANSACTION REPORTS

Improvements Could Reduce Filer Burden While Still Providing Useful Information to Law Enforcement



Highlights of GAO-25-106500, a report to congressional committees

Why GAO Did This Study

Financial institutions filed roughly 167 million CTRs in fiscal years 2014–2023. The Anti-Money Laundering Act of 2020 includes a provision for GAO to review CTR requirements and issue a report by December 2025. GAO has issued four prior reports in response to the act, including one on law enforcement's use of reports about suspicious financial transactions.

This report examines (1) the potential effects of changing the CTR threshold, (2) the extent that CTR requirements align with statutory objectives, and (3) the extent that CTR requirements provide useful information to law enforcement.

GAO analyzed data from FinCEN on CTRs filed in fiscal years 2014–2023 and conducted a survey of all 327 federal, state, and local law enforcement agencies that can directly access CTRs (60 percent response rate). GAO also interviewed officials of tribal, federal, state, and local agencies; industry groups representing CTR filers; and 13 financial institutions (selected to represent different asset sizes and types of institutions), as well as privacy and compliance experts. GAO also reviewed relevant laws and regulations.

What GAO Recommends

GAO is making four recommendations, including that FinCEN take steps to reduce the number of unused CTRs, eliminate infrequently used fields, and simplify and clarify aggregation requirements. FinCEN agreed with GAO's recommendations.

View GAO-25-106500. For more information, contact Michael Clements at (202) 512-8678 or clementsm@gao.gov

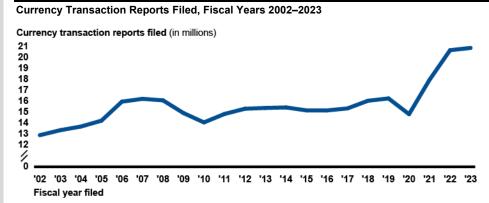
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CURRENCY TRANSACTION REPORTS

Improvements Could Reduce Filer Burden While Still Providing Useful Information to Law Enforcement

What GAO Found

Currency transaction reports (CTR) must be filed by financial institutions for cash transactions exceeding \$10,000 in a day and are intended to provide law enforcement with highly useful information. The \$10,000 threshold, set in regulation by the Department of the Treasury in 1972, has not been adjusted for inflation. Inflation may have contributed to the increase in volume of CTRs filed, which has increased by about 62 percent since fiscal year 2002 (see figure). The inflation-adjusted threshold in 2023 would have been about \$72,880. Using an inflation-adjusted threshold would have reduced the number of CTRs filed by at least 90 percent annually since 2014.



Source: Financial Crimes Enforcement Network. | GAO-25-106500

GAO identified key challenges and potential inefficiencies in the CTR system:

- Unused reports. Law enforcement agencies accessed a small percentage of CTRs through either the Financial Crimes Enforcement Network's (FinCEN) BSA Portal or agencies' internal systems, leaving most unused. From 2014 through 2023, law enforcement agencies accessed about 5.4 percent of CTRs filed in FinCEN's BSA Portal during that period. For CTRs accessed in either FinCEN's BSA Portal or agencies' internal systems in 2023 (the most recent full year), law enforcement agencies accessed less than 3 percent of CTRs filed from 2014 through 2023.
- Difficult and infrequently used fields. Filers GAO interviewed reported difficulty completing certain fields, some of which law enforcement agencies reported infrequently using.
- Unclear or unhelpful aggregation requirements. FinCEN's requirements
 for aggregating related transactions exceeding \$10,000 in 1 day was
 sometimes unclear to filers GAO interviewed. Further, some law enforcement
 agencies noted that large aggregated CTRs of unrelated parties do not
 provide useful information.

By taking steps to reduce the number of unused CTRs—such as through adjusting the reporting threshold—and by eliminating rarely used fields and clarifying aggregation requirements, FinCEN could reduce unnecessary filer burden without affecting CTRs' usefulness to law enforcement.

United States Government Accountability Office

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Abbreviations

AMLA BSA	Anti-Money Laundering Act of 2020 Bank Secrecy Act
CTR	currency transaction report
CFTC	Commodity Futures Trading Commission
CBP	U.S. Customs and Border Protection
DEA	Drug Enforcement Administration
DOJ	Department of Justice
FBI	Federal Bureau of Investigation
FDIC	Federal Deposit Insurance Corporation
Federal Reserve	Board of Governors of the Federal Reserve System
FinCEN	Financial Crimes Enforcement Network
ICE	U.S. Immigration and Customs Enforcement
IRS	Internal Revenue Service
IRS-CI	Internal Revenue Service Criminal Investigation
NAICS	North American Industry Classification System
OCDETF	Organized Crime and Drug Enforcement Task Forces
SAR	suspicious activity report

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Securities and Exchange Commission

SEC

December 11, 2024

The Honorable Sherrod Brown
Chairman
The Honorable Tim Scott
Ranking Member
Committee on Banking, Housing, and Urban Affairs
United States Senate

The Honorable Patrick McHenry Chairman The Honorable Maxine Waters Ranking Member Committee on Financial Services House of Representatives

To safeguard national security and combat money laundering, terrorism financing, and other financial crimes, federal law requires financial institutions to provide information on individuals that engage in large cash transactions. Specifically, the Bank Secrecy Act (BSA) requires that financial institutions such as banks, casinos, and money services businesses file currency transaction reports (CTR) on cash transactions that exceed \$10,000 in a single day. CTRs contain information on the

¹See 31 U.S.C. §§ 5311 and 5313. Reports should have a high degree of usefulness to support criminal, tax, or regulatory investigations, risk assessments, or proceedings; or intelligence or counterintelligence activities, including analysis, to protect against terrorism. See 31 U.S.C. § 5311(1). We use the term "cash" throughout this report to refer to currency as defined in the regulations implementing the Bank Secrecy Act at 31 C.F.R. § 1010.100(m). That definition of currency is coin and paper money that is designated as legal tender and that circulates and is customarily used and accepted as a medium of exchange in the country of issuance. Currency includes U.S. silver certificates, U.S. notes and Federal Reserve notes. Currency also includes official foreign bank notes that are customarily used and accepted as a medium of exchange in a foreign country.

²The Bank Secrecy Act defines "financial institution" to include commercial banks, insurance companies, dealers in precious metals, and persons involved in real estate closings and settlements, 31 U.S.C. § 5312(a)(2). Financial institutions must report cash 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. 31 U.S.C. § 5313; 31 C.F.R. § 1010.310-314. Under 31 C.F.R. § 1010.100(d), the term bank includes, but is not limited to, a commercial bank or trust company, a credit union, and any other organization (except a money services business) chartered under the banking laws of any state and subject to the supervision of the bank supervisory authorities of a state. See 31 C.F.R. § 1010.100(t) for regulatory definitions of financial institutions, including banks and money services businesses, subject to BSA requirements.

person conducting the transaction, such as name, address, and taxpayer identification number, as well as information about the transactions involved in the filing. The Department of the Treasury's Financial Crimes Enforcement Network (FinCEN)—which administers the BSA—collects and maintains CTR information. Authorized law enforcement and other agencies can use CTRs when investigating and prosecuting illicit finance activities.³

In a 2020 report, we found that many law enforcement agencies regard CTRs as an important source of information.⁴ However, some Members of Congress and financial industry representatives have raised questions about the usefulness and level of burden associated with CTRs. For example, they note the \$10,000 CTR threshold has not been adjusted for inflation since Treasury introduced it in 1972.

The Anti-Money Laundering Act of 2020 (AMLA) includes provisions for Treasury to review CTR requirements for potential streamlining and to evaluate potential adjustments to the CTR threshold.⁵ AMLA also includes a provision for GAO to review the effectiveness and importance of CTRs to law enforcement and the effects of raising the CTR threshold.⁶ The provision called for GAO to issue a report by December 2025. This report examines (1) how CTR requirements have changed since they were established, and the extent to which these requirements align with

³Federal, state, and local law enforcement agencies, federal and state regulatory agencies, and intelligence agencies with authorized access to BSA data can use it to retrieve identifying information and generate leads for investigations, prosecutions, oversight of financial institutions operating in the U.S., enforcement actions, and counterterrorism and national security measures.

⁴GAO, Anti-Money Laundering: Opportunities Exist to Increase Law Enforcement Use of Bank Secrecy Act Reports, and Banks' Costs to Comply with the Act Varied, GAO-20-574 (Washington, D.C.: Sept. 22, 2020).

⁵Anti-Money Laundering Act of 2020, Pub. L. No. 116-283, §§ 6204 and 6205, 134 Stat. 3388, 4569-4571 (2021). AMLA was enacted as part of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021.

⁶Pub. L. No. 116-283, § 6504, 134 Stat. at 4629 (2021). We have issued four prior reports in response to AMLA: GAO, *Bank Secrecy Act: Action Needed to Improve DOJ Statistics on Use of Reports on Suspicious Financial Transactions*, GAO-22-105242 (Washington, D.C.: Aug. 25, 2022); *Trafficking: Use of Online Marketplaces and Virtual Currencies in Drug and Human Trafficking*, GAO-22-105101 (Washington, D.C.: Feb. 14, 2022); *Trafficking and Money Laundering: Strategies Used by Criminal Groups and Terrorists and Federal Efforts to Combat Them*, GAO-22-104807 (Washington, D.C.: Dec. 23, 2021); and *Bank Secrecy Act: Views on Proposals to Improve Banking Access for Entities Transferring Funds to High-Risk Countries*, GAO-22-104792 (Washington D.C.: Dec. 16, 2021).

statutory objectives; (2) the extent to which CTRs provide useful information to law enforcement; and (3) the potential effects of changing the CTR threshold.

The scope of our review was the use of CTRs by law enforcement agencies and not other entities, such as intelligence agencies.

For our first objective, we reviewed relevant laws and regulations and documentation from FinCEN on its implementation of CTR reporting requirements. We compared FinCEN's CTR requirements and related actions against statutory requirements and best practices for performance management identified in our prior work.⁷

For our second objective, we analyzed FinCEN data on the number and characteristics of CTRs filed and accessed by law enforcement through FinCEN's BSA Portal for fiscal years 2014–2023. We also obtained and analyzed available data on user access of CTRs in the internal systems of five law enforcement agencies. We also conducted a generalizable survey of 327 federal, state, and local law enforcement agencies that have direct access to BSA reports. For purposes of these analyses, an

⁷See, for example, GAO, Executive Guide: Effectively Implementing the Government Performance and Results Act, GAO/GGD-96-118 (Washington, D.C.: June 1, 1996); The Results Act: An Evaluator's Guide to Assessing Agency Annual Performance Plans, GAO/GGD-10.1.20 (Washington, D.C.: Apr. 1, 1998); and Evidence-Based Policymaking: Practices to Help Manage and Assess the Results of Federal Efforts, GAO-23-105460 (Washington, D.C.: July 12, 2023).

⁸We obtained and analyzed data from five of the six agencies that have permission to access CTRs in their internal systems: Federal Bureau of Investigation, Organized Crime Drug Enforcement Task Forces, U.S. Customs and Border Protection, Internal Revenue Service Criminal Investigation, and U.S. Immigration and Customs Enforcement. The sixth agency, U.S. Secret Service, is in the process of configuring its systems and investigative personnel do not yet have access to CTRs on internal systems, according to officials. To assess the reliability of the data, we reviewed related documentation, interviewed knowledgeable agency officials, and conducted electronic and manual data testing. We found these data sufficiently reliable for purposes of reporting on access and characteristics of CTRs.

⁹We surveyed all law enforcement agencies that had an active memorandum of understanding with FinCEN to access BSA reports—a population of 327 agencies, as of June 30, 2023. We received responses from 197 of those agencies, a 60 percent response rate. The survey took place from November 1, 2023, to January 31, 2024. Survey responses are weighted to ensure that estimates are generalizable to the population of law enforcement agencies with direct access to BSA reports. Margins of error for survey items in this report are 8 percentage points or less at the 95 percent confidence level. See app. I for additional information about our survey methodology and app. II for information on survey results.

"agency" is any law enforcement entity that has a memorandum of understanding with FinCEN for access to BSA reports.

We also reviewed prior GAO reports, Inspector General reports, and other studies on use of CTRs. In addition, we assessed FinCEN's use of its data to inform decisions on CTR policy against statutory requirements.

For our third objective, we used the FinCEN data described above to identify how changes to the CTR threshold might affect the number and characteristics of CTRs filed and accessed by law enforcement. We also reviewed documentation on CTR reporting requirements, including comment letters, and international standards.

For all three objectives, we interviewed officials from several federal agencies, including Treasury agencies, law enforcement agencies, and financial regulators. We also interviewed one tribal and nine state and local law enforcement agencies. We selected state and local law enforcement agencies to represent a range of types, locations, and number of CTRs accessed. Additionally, we interviewed four umbrella organizations representing tribal, state, and local law enforcement agencies. We also interviewed representatives of 13 depository institutions (selected to represent a range of institution types and asset sizes) and 11 industry groups (selected to reflect different types of CTR filers). We also interviewed three BSA compliance consultants and representatives of four think tank and privacy groups and four automation technology companies, all selected for their expertise or public comments on relevant issues. 11

More detailed information on our objectives, scope, and methodology is presented in appendix I.

We conducted this performance audit from January 2023 to December 2024 in accordance with generally accepted government auditing

¹⁰The 11 industry group interviews included staff from (1) industry associations and (2) financial institutions that were members of the association. We collectively refer to these staff and depository institution staff as "financial institution representatives" throughout this report, unless otherwise noted. When we refer to interviews with individual depository institutions only (excluding industry group interviews), we collectively refer to these staff as "bank and credit union representatives."

¹¹We refer to consultants with expertise in overall anti-money laundering topics and compliance technology as "BSA compliance consultants." We refer to think tank and policy groups that address privacy, civil liberty, and other related concerns as "think tank and privacy groups."

standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Bank Secrecy Act Roles and Responsibilities

The BSA and its implementing regulations provide the legal and regulatory framework for preventing, detecting, and deterring money laundering and terrorist financing. 12 The framework is designed to prevent criminals from using private individuals and financial institutions to launder the proceeds of their crimes and to detect criminals who successfully use the system to launder those proceeds. The main entities involved in implementing the framework include the following:

FinCEN. FinCEN oversees the administration of the BSA and related anti-money laundering regulations. ¹³ It implements the BSA through the issuance of regulations and guidance. FinCEN also has authority to enforce compliance with BSA requirements, and it serves as the repository of BSA reporting from financial institutions. ¹⁴ In addition, FinCEN analyzes information in CTRs and other BSA reports and shares such analyses with appropriate federal, state, local, and foreign law enforcement agencies.

Financial regulators and the Internal Revenue Service (IRS). FinCEN has delegated its examination authority to certain federal agencies, including the financial regulators who supervise institutions for BSA

¹²Certain parts of the Currency and Foreign Transactions Reporting Act, its amendments, and the other statutes relating to the subject matter of that act, have come to be referred to as the Bank Secrecy Act. These statutes are codified at 12 U.S.C. § 1829b, 12 U.S.C. §§ 1951-1960, 18 U.S.C. §§ 1956, 1957, and 1960, and 31 U.S.C. §§ 5311-5314 and 5316-5336, and notes thereto. BSA implementing regulations are found at 31 C.F.R. Chapter X.

¹³See 31 U.S.C. § 310.

¹⁴31 C.F.R. § 1010.810(a). FinCEN has responsibility for operating a government-wide data access service for CTRs and other BSA reports. 31 U.S.C. § 310(b)(2)(B).

compliance and IRS.¹⁵ Financial regulators typically review CTRs during examinations of regulated entities, but they can also use them for investigations, according to agency officials. For example, the Securities and Exchange Commission (SEC) and Commodity Futures Trading Commission (CFTC) have their own BSA review teams that analyze BSA reports to identify potential violations of federal laws.

Financial institutions. The BSA authorizes FinCEN to impose reporting, recordkeeping, and other anti-money laundering requirements on financial institutions, including banks, casinos, and money services businesses. ¹⁶ By complying with BSA and anti-money laundering requirements—including CTR requirements—the institutions assist government agencies with detecting and preventing money laundering, terrorist financing, and other crimes. In turn, law enforcement agencies can use the information compiled by financial institutions to detect and deter criminal activity by investigating and prosecuting criminal actors.

Law enforcement agencies. Federal law enforcement agencies work to detect illicit activity and conduct criminal investigations, including those related to money laundering and criminal violations of BSA. These include multiple components within the Department of Justice (DOJ) and the Department of Homeland Security. Federal, state, and local law enforcement agencies also can use CTRs and other BSA reports to investigate and prosecute drug trafficking, terrorist acts, fraud, and other criminal activities.

 DOJ prosecutes violations of federal law, including criminal money laundering statutes and criminal violations of the BSA. Within DOJ, law enforcement agencies, including the Drug Enforcement Administration (DEA) and Federal Bureau of Investigation (FBI), play

¹⁵Under FinCEN regulation, a "federal functional regulator" is defined as the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, the Board of Directors of the Federal Deposit Insurance Corporation, the National Credit Union Administration, Securities and Exchange Commission, or Commodity Futures Trading Commission. 31 C.F.R. § 1010.100(r). Apart from their delegated examination authority under the BSA, the federal functional regulators have their own regulatory authority to examine institutions they supervise for compliance with BSA. IRS has been delegated authority to examine certain financial institutions (such as money services businesses) for BSA compliance. 31 C.F.R. § 1010.810(b)(8).

¹⁶A financial institution is defined to include banks (except bank credit card systems), brokers or dealers in securities, money services businesses, telegraph companies, casinos, card clubs, a person subject to supervision by any state or federal bank supervisory authority, a futures commission merchant, an introducing broker in commodities, or a mutual fund. 31 U.S.C. § 5312(a)(2); 31 C.F.R. § 1010.100(t).

a role in conducting BSA-related criminal investigations. Additionally, law enforcement task forces, such as the Organized Crime and Drug Enforcement Task Forces (OCDETF) (an independent component of DOJ), conduct illicit finance investigations.

- In the Department of Homeland Security, U.S. Customs and Border Protection (CBP) officers and agents enforce applicable laws, including against illegal immigration, narcotics smuggling, and illegal importation. Agents of U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations and the U.S. Secret Service investigate money laundering, illicit finance, and other financial crimes.
- In Treasury, IRS Criminal Investigation (IRS-CI) investigates potential criminal violations of tax laws and related financial crimes, including complex and significant money laundering activity.¹⁷
- The Bureau of Indian Affairs' Office of Justice Services supports tribal law enforcement agencies and provides direct law enforcement services to Tribes. Bureau of Indian Affairs special agents are responsible for investigating crimes that involve violations of federal and tribal law that are committed in Indian country, including drug trafficking and cases of missing and murdered persons. The Bureau of Indian Affairs also partners with FBI on certain cases, including those related to financial crimes.

Bank Secrecy Act and Anti-Money Laundering Requirements

Among other anti-money laundering requirements, the BSA and its implementing regulations require financial institutions to file CTRs for cash transactions that exceed \$10,000 (or aggregate to exceed \$10,000) in a single day. ¹⁸ While the BSA did not identify a reporting threshold for CTRs, it required reports to be highly useful for law enforcement purposes. BSA directed Treasury to implement regulations to achieve that goal. Treasury introduced CTR requirements, including the \$10,000 reporting threshold, through a regulation finalized in 1972. ¹⁹

¹⁷IRS-CI investigative jurisdiction includes potential criminal violations of the Internal Revenue Code (federal tax law), money laundering, and the BSA.

¹⁸Each financial institution other than a casino must file a report of each deposit, withdrawal, exchange of currency or other payment or transfer, by, through, or to such financial institution which involves a transaction in currency of more than \$10,000. This includes multiple currency transactions that aggregate to over \$10,000 in a single day. 31 U.S.C. § 5313; 31 C.F.R. §§ 1010.310-314. Casinos have additional CTR requirements specific to their business. 31 C.F.R. pt. 1021, subpart C.

¹⁹See 37 Fed. Reg. 6818, 6912, April 5, 1972.

In addition to CTRs, financial institutions must file suspicious activity reports (SAR) for certain transactions that might be indicative of money laundering, tax evasion, or other criminal activities.²⁰ This includes filing SARs on suspicious transactions that appear designed to evade CTR requirements by structuring transactions in a deliberate manner.

Most financial institutions must also develop, administer, and maintain effective BSA and anti-money laundering and countering the financing of terrorism programs.²¹ Generally, these institutions must

- establish a system of internal controls to ensure ongoing compliance with the BSA and its implementing regulations;
- provide anti-money laundering compliance training for appropriate personnel;
- provide for independent auditing to test program compliance;
- designate a person or persons responsible for coordinating and monitoring compliance; and
- for financial institutions, such as banks and broker-dealers, establish risk-based procedures for verifying customer identity as part of the

²⁰Under FinCEN regulations, most financial institutions must file a SAR if a transaction involves or aggregates at least \$5,000 in funds or assets and the financial institution knows, suspects, or has reason to suspect that the transaction (1) involves or is intended or conducted to hide or disguise funds or assets derived from illegal activities; (2) is designed to evade the BSA or its implementing regulations; (3) has no business or apparent lawful purpose or is not the type of transaction in which the customer would normally be expected to engage in and the financial institution knows of no reasonable explanation after examining the available facts; or (4) involves use of the financial institution to facilitate criminal activity. The aggregate threshold applicable to money services businesses is set at \$2,000, lower than for other financial institutions. 31 C.F.R. § 1022.320(a)(2). Various parts of FinCEN's reporting and recordkeeping regulations apply depending on the type of entity. SAR requirements can be found in subpart C of a financial institution's part in 31 C.F.R. chapter X. SAR requirements applicable to banks are also found at 12 C.F.R. § 208.62 (Federal Reserve); 12 C.F.R. § 21.11 (Office of the Comptroller of the Currency); and 12 C.F.R. § 353.3 (Federal Deposit Insurance Corporation).

²¹31 U.S.C. § 5318(h). See 31 C.F.R. §§ 1010.100(t) for a list of financial institutions with regulatory program requirements. Program rules by institution type include banks (31 C.F.R. § 1020.210), casinos and card clubs (31 C.F.R. § 1021.210), money services businesses (31 C.F.R. § 1022.210), brokers or dealers in securities (31 C.F.R. § 1023.210), mutual funds (31 C.F.R. § 1024.210), insurance companies (31 C.F.R. § 1025.210), futures commission merchants and introducing brokers in commodities (31 C.F.R. § 1026.210), dealers in precious metals, precious stones, or jewels (31 C.F.R. § 1027.210), operators of credit card systems (31 C.F.R. § 1028.210), loan or finance companies (31 C.F.R. § 1029.210), and housing government sponsored enterprises (31 C.F.R. § 1030.210).

customer identification program and conduct ongoing customer due diligence.²²

Anti-Money Laundering Act of 2020

Congress enacted AMLA into law on January 1, 2021. The act updated aspects of the policy framework for anti-money laundering and combatting the financing of terrorism. Several aspects of AMLA are relevant to CTRs.

- AMLA Section 6216 requires Treasury to conduct a formal review of BSA regulations and guidance and submit a report to Congress on the review findings by January 2022.
- AMLA Section 6204 requires Treasury, in consultation with other federal agencies, state regulators, and other relevant stakeholders, to conduct a formal review of CTR reporting requirements and submit a report to Congress by January 2022 that includes proposed rules (as appropriate) to reduce any unnecessarily burdensome regulatory requirements.
- AMLA Section 6205 requires Treasury, in consultation with other federal agencies, state regulators, and other relevant stakeholders, to review whether the CTR dollar thresholds, including aggregate thresholds, should be adjusted, and submit a report to Congress by January 2022.

AMLA updated the purpose of BSA to include, among other things:

- providing for certain reports (including CTRs) or records that are highly useful in criminal, tax, or regulatory investigations;
- preventing money laundering and terrorism financing;
- facilitating the tracking of money that has been sourced through criminal activity;
- assessing the money laundering, terrorism finance, tax evasion, and fraud risks to financial institutions; and

²²Financial institutions with customer identification program requirements include banks (31 C.F.R. § 1020.220), brokers or dealers in securities (31 C.F.R. § 1023.220), mutual funds (31 C.F.R. § 1024.220), and futures commission merchants and introducing brokers in commodities (31 C.F.R. § 1026.220). Financial institutions with customer due diligence program requirements, including beneficial ownership requirements for legal entity customers, include banks (31 C.F.R. §§ 1020.210(a)(2)(v) and (b)(2)(v)), broker-dealers (31 C.F.R. § 1023.210(b)(5)), mutual funds (31 C.F.R. § 1024.210(b)(5)), and futures commission merchants and introducing brokers in commodities (31 C.F.R. § 1026.210(b)(5)).

establishing appropriate frameworks for information sharing among financial institutions, regulatory authorities, Treasury, and law enforcement authorities to combat money laundering and terrorist financing.

CTR Filing Process

The key steps for financial institutions filing CTRs include: (1) determining when to file a CTR (such as through automated alerts); (2) verifying the identity of the conductor (the person conducting the transaction); (3) collecting identifying information on the conductor and, if necessary, on the beneficiary (the person on whose behalf the transaction is being conducted); and (4) filing the CTR electronically with FinCEN (see fig. 1).

Teller identifies need for CTR through automated **Transaction 1** software or manual I FinCEN I observation. Transaction 2 BSA E-filing BSA database Transaction 3 System CTR **CTR** e-file

Figure 1: Example of Process for Filing Currency Transaction Reports

Bank teller

Teller verifies identification and records

information, including the conductor's

Conductor

CTR triggered by

conductor making
• cash transaction of name, address, account number, and >\$10,000, or Social Security or Taxpayer Identification aggregate transactions of >\$10,000 on the Number. Some data may be automatically populated and some may need to be same business day.

Source: GAO analysis of Federal Financial Institutions Examination Council guidance; GAO (icons); FinCEN (logo). | GAO-25-106500

BSA: Bank Secrecy Act CTR: currency transaction report FinCEN: Financial Crimes Enforcement Network

Law enforcement

Agencies access CTR data from

FinCEN's BSA

database.

FinCEN

Stores CTR

in its BSA

database.

After filing, CTRs are stored in a BSA system of record (or database) managed by FinCEN. Access is available through BSA Portal—FinCEN's user access interface—to authorized agencies at the federal, state, and local level of government that have entered agreements with FinCEN.23 Law enforcement agencies, financial regulators, intelligence agencies, and others can use the system to retrieve identifying information, generate leads in investigations or prosecutions, begin new investigations or prosecutions, or analyze of illicit finance activities.

Quality control/compliance

Financial institution may conduct

manual quality control review of the CTR and files it with FinCEN.

²³In addition, selected federal agencies have Agency Integrated Access agreements with FinCEN, enabling them to download BSA data into their internal computer systems.

Law Enforcement Agencies' Access to CTRs

Agencies can access CTRs directly through BSA Portal or indirectly by working through a coordinating entity. To obtain direct access to FinCEN's BSA database, law enforcement agencies must enter a memorandum of understanding with FinCEN that specifies the terms and conditions under which they can use the reports. Agencies with a memorandum of understanding can use BSA Portal to access FinCEN's BSA database through BSA Search, a secure web application that allows them to search the complete BSA database and allows FinCEN to capture access data.²⁴

In addition, selected federal agencies have Agency Integrated Access agreements with FinCEN, enabling them to download BSA data into their internal computer systems. This allows agencies to combine FinCEN BSA data with their own databases to perform more complex analyses than available through BSA Portal.²⁵ As of March 2023, nine federal agencies had agreements to download BSA data.²⁶ FinCEN does not track agencies' internal use of downloaded data. However, agencies are required to maintain access logs to track usage within their internal system as required by their agreements with FinCEN.

²⁴According to FinCEN officials, FinCEN Portal became BSA Portal and FinCEN Query became BSA Search on June 2, 2024. Additionally, in August 2024, Treasury's Office of Inspector General issued a report on user access to BSA data. The Office of Inspector General found that FinCEN did not properly manage some aspects of BSA data access, such as having appropriate controls to ensure that external agencies provided proper notification to FinCEN when disabling accounts. See Department of the Treasury, Office of Inspector General, Anti-Money Laundering/Terrorist Financing, *Audit of FinCEN's Management of BSA Data – User Access Report*, OIG-24-030 (Washington, D.C.: Aug. 1, 2024).

²⁵In August 2023, Treasury's Office of Inspector General issued a report on its audit of FinCEN's management of BSA data. The Office of Inspector General found that FinCEN did not ensure that all agencies with Agency Integrated Access removed suppressed records – records determined to be inaccurate, duplicative, or sensitive – from their databases. See Department of the Treasury, Office of Inspector General, Anti-Money Laundering/Terrorist Financing, *Audit of FinCEN's Management of BSA Data – Suppression Report*, OIG-23-030 (Aug. 31, 2023). The Office of Inspector General said it plans to release additional reports addressing other areas.

²⁶Six of the nine agencies with Agency Integrated Access were within the scope of our audit: ICE, IRS-CI, FBI, OCDETF, CBP, and Secret Service. The remaining three agencies either had a classified agreement or were intelligence agencies. Secret Service officials told us that, as of December 2023, the agency was still in the process of implementing access to BSA reports on its internal systems despite having an Agency Integrated Access agreement.

Agencies without direct access to BSA reports may request searches of the BSA database through FinCEN or through the agency designated as their state coordinator.

CTR Requirements Have Expanded and Do Not Fully Align with the Statutory Objective of Providing Highly Useful Information

Expansions to CTR requirements in statute and regulation have broadened the scope of institutions required to file and increased the amount of information collected. However, some of this information is reported by CTR filers to be burdensome and is infrequently used by law enforcement, inconsistent with the statutory objective of requiring reports that provide highly useful information to law enforcement. Financial institution representatives told us they faced challenges in collecting certain data, implementing exemptions, and complying with aggregation requirements. Further, FinCEN does not have performance goals or related measures specific to CTRs.

Laws and Regulations
Have Expanded CTR
Scope Despite Alternative
Tools for Identifying
Suspicious Transactions

Although the CTR threshold has remained the same for over 50 years, the scope of CTR requirements has expanded significantly. Statutes and requirements implemented through FinCEN's regulations have increased the number and types of institutions required to file CTRs, as well as the amount of information collected in CTRs.²⁷ Figure 2 provides a timeline of the key statutes and regulations affecting CTRs.

²⁷The BSA authorized Treasury to implement a reporting requirement and prescribe regulations the Secretary of the Treasury may deem appropriate to provide information that is "highly useful" in criminal, tax, or regulatory investigations or proceedings. Pub. L. No. 91-508, §§ 202 and 204, 84 Stat. 1114, 1118 (1970). Treasury, through its implementing regulations, set the \$10,000 reporting threshold in 1972. The regulations included limited information on the rationale for the threshold amount, and FinCEN officials we interviewed could not provide us with documentation of the rationale for the original threshold amount. 37 Fed. Reg. 6818, 6912 (Apr. 5, 1972). However, Treasury regulations in 1945, issued under a pre-BSA authority, included a \$10,000 threshold for financial institution reporting of currency transactions (unless the financial institution judged the transaction to be commensurate with legitimate and customary conduct). See 10 Fed. Reg. 6556 (June 5, 1945).

Bank Secrecy Act (BSA)^a Annunzio-Wylie Anti-Money Required Department of the Treasury to implement requirements for financial institutions Added a CTR purpose for the conduct of intelligence or counterintelligence activities Laundering Act Suspicious activity to report on large currency transactions to protect against international terrorism reporting required 77 Fed. Reg. 12367 37 Fed. Reg. 6912 52 Fed. Rea. 11436 Electronic filing of BSA reports, including CTRs, and the Aggregation CTR requirement and requirements imposed \$10,000 threshold on financial institutions^b expansion of CTR form fields implemented 772 92 94 12 Money Laundering Suppression Act of 1994 Anti-Money Laundering Act of 2020 Statute Required Treasury to implement a CTR Required Treasury to formally review streamlining of CTRs and consider a exemption process Regulation change to the reporting threshold

Figure 2: Timeline of Key Statutes and Regulations Affecting Currency Transaction Reports (CTR)

Source: GAO analysis of statutes and regulations. | GAO 25-106500

°Suspicious activity reports must be filed for certain suspicious transactions involving possible violation of law or regulation, including transactions that are broken up for the purpose of evading the BSA reporting and recordkeeping requirements.

^dThe formal name of the act is Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism.

In 1987, Treasury added regulatory requirements for financial institutions to aggregate transactions for the purpose of filing CTRs.²⁸ The requirements intended to address transactions that were structured to evade CTR reporting.²⁹ These aggregation requirements increased CTR complexity by requiring financial institutions to aggregate multiple currency transactions associated with either the conductor (person making the transaction) or beneficiary (person for whom the transaction is made) in one business day. The requirements also include aggregating

^aThe formal name of the act is the Currency and Foreign Transactions Reporting Act.

^bAggregation involves treating multiple currency transactions as a single transaction if the financial institution has knowledge that they are by or on behalf of any person and result in either cash in or cash out totaling more than \$10,000 during any one business day.

²⁸52 Fed. Reg. 11436 (Apr. 8, 1987), currently located at 31 C.F.R. § 1010.313.

²⁹The regulation requires each financial institution other than a casino to file a report of each deposit, withdrawal, exchange of currency or other payment or transfer, by, through, or to such financial institution which involves a transaction in currency of more than \$10,000. 31 C.F.R. § 1010.311. Multiple currency transactions must be treated as a single transaction if the financial institution has knowledge that they are by or on behalf of any person and they total more than \$10,000 during any one business day. Deposits made at night or over a weekend or holiday shall be treated as if they were received on the next business day following deposit. 31 C.F.R. § 1010.313.

related transactions from multiple branches and sources of cash transactions (e.g., ATMs and certain transactions conducted by armored car services).³⁰

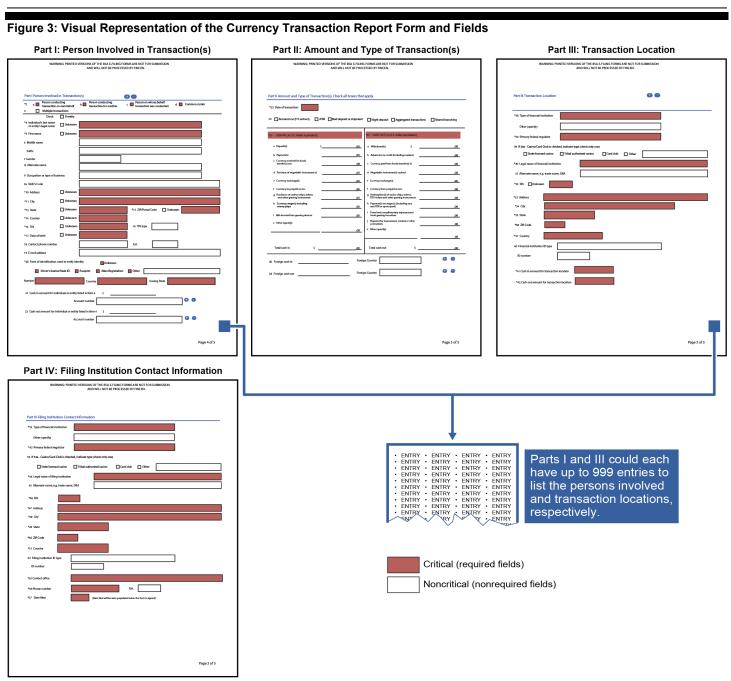
FinCEN further expanded the types of information collected in CTRs when it designed the BSA database for electronic CTR filings, which became mandatory for filers in April 2013. FinCEN added fields to the CTR form and designated all data fields as critical (required to file) or noncritical (not required to file). Newly added noncritical fields included gender and North American Industry Classification System (NAICS) code. 31 According to FinCEN's 2012 guidance, fields were added in response to law enforcement feedback that the fields would be useful for their queries. 32 FinCEN officials told us the agency consulted its Data Management Council, comprising federal law enforcement and regulatory stakeholders, before making these form changes. The council reviews any changes to BSA reports, FinCEN officials said.

The CTR form consists of 57 fields, with some fields allowing for multiple records. For example, "person involved in transaction(s)" and "transaction location" fields may include up to 999 records (see fig. 3).

³⁰Current regulations state that a financial institution must include "all of its domestic branch offices" for the purposes of reporting requirements. 31 C.F.R. § 1010.313(a). For additional information on filing CTRs related to armored cars, see, Department of the Treasury, Financial Crimes Enforcement Network, *Treatment of Armored Car Service Transactions Conducted on Behalf of Financial Institution Customers or Third Parties for Currency Transaction Report Purposes*, FIN-2013-R001 (July 12, 2013).

³¹The Census Bureau assigns business classification codes, including Standard Industrial Classification and NAICS codes, to each company to classify its main industry and line of business.

³²Department of the Treasury, Financial Crimes Enforcement Network, *Filing FinCEN's new Currency Transaction Report and Suspicious Activity Report*, FIN-2012-G002 (Mar. 29, 2012).



Source: GAO presentation of Financial Crimes Enforcement Network documentation. | GAO-25-106500

In 1992, Congress authorized Treasury to require financial institutions to file a suspicious activity report with FinCEN whenever they suspected illicit activity, providing law enforcement an additional tool for identifying suspicious transactions.³³ SAR requirements include reporting on cash transactions structured to avoid reporting requirements, such as those just below the CTR threshold.

However, Treasury made minimal changes to reduce or remove CTR reporting and aggregation requirements after SAR and structuring SAR requirements were added. The Money Laundering Suppression Act of 1994 required Treasury to implement exemptions to reduce the number and size of CTRs consistent with effective law enforcement.³⁴ Treasury implemented the exemptions in 1997 and 1998.³⁵ FinCEN made further changes to address recommendations we had made in 2008.³⁶ However, exemptions are limited to depository institutions and to certain transactions and customers meeting specific criteria.

AMLA required Treasury to consider streamlining CTR and SAR requirements and consider updating the CTR reporting threshold and other BSA reporting thresholds and issue reports with its findings by January 2022.³⁷ Treasury was past the statutory deadline and had not issued its report as of July 2024. In February 2024, we recommended that

³³Annunzio-Wylie Anti-Money Laundering Act, Pub. L. No. 102-550, tit. XV, § 1517, 106 Stat. 3672, 4059-4060 (1992) (codified as amended at 31 U.S.C. § 5318(g)). Prior to SARs, financial institutions used a "suspicious" checkbox on the CTR, as well as Criminal Referral Forms issued by their regulator, to report suspicious transactions. The implementation of SARs eliminated the previously used checkbox and Criminal Referral Forms.

³⁴Pub. L. No. 103-325, title IV, § 402, 108 Stat. 2160, 2243 (codified at 31 U.S.C. § 5313(d)-(g)).

³⁵⁶² Fed. Reg. 47141 (Sept. 8, 1997); 63 Fed. Reg. 50147 (Sept. 21, 1998).

³⁶73 Fed. Reg. 74010 (Dec. 5, 2008); 77 Fed. Reg. 33638 (June 7, 2012). GAO, *Bank Secrecy Act: Increased Use of Exemption Provisions Could Reduce Currency Transaction Reporting While Maintaining Usefulness to Law Enforcement Efforts*, GAO-08-355 (Washington, D.C.: Feb. 21, 2008).

³⁷Pub. L. No. 116-283, §§ 6204(a), 6205,134 Stat. 3388, 4569 (2021). Treasury is required to complete reviews mandated by sections 6204 and 6205 of AMLA not later than 1 year after enactment of the legislation, which was January 1, 2021. As of July 2024, Treasury had not completed such reviews.

FinCEN develop and implement a communication plan to regularly inform Congress and the public about its progress implementing AMLA.³⁸

Some Noncritical
Information That CTR
Filers Reported as
Burdensome Is
Infrequently Used by Law
Enforcement

In public comments to FinCEN and in most of our interviews with financial institutions, representatives expressed that collecting information for certain noncritical CTR data fields can be burdensome. As discussed previously, FinCEN designates CTR data fields as critical or noncritical for electronic filing purposes. Critical fields include the name, address, and ID number of the persons involved in the transaction.³⁹ Noncritical fields include gender, NAICS code, and occupation. According to public comments and bank representatives we spoke with, examples of burdensome information collection included performing extra work to collect out-of-date information (such as occupation) and responding to customers' reluctance to provide information on their gender or former occupation.⁴⁰

Some noncritical fields cited as burdensome to complete, such as occupation and gender, are populated in most CTRs (see table 1). Although noncritical fields are not mandatory to file CTRs, FinCEN and BSA examiner guidance state that filers are expected to complete these fields if they have direct knowledge of the information.⁴¹ This expectation may indirectly obligate filers to collect and report noncritical information. According to summary data FinCEN provided us, most CTR forms filed in fiscal years 2019–2023 included information in the noncritical fields of

³⁸GAO, *Anti-Money Laundering: Better Information Needed on Effectiveness of Federal Efforts*, GAO-24-106301 (Washington, D.C.: Feb. 8, 2024). In September 2024, FinCEN agreed with the recommendation but had not yet implemented it.

³⁹A filer can select "unknown" for an ID number if the individual or entity is known and all identification information is unknown.

⁴⁰BSA CTR Data Elements Public Comments Disposition Sheet, March 28 2011, in response to 76 Fed. Reg. 4747 (Jan. 26, 2011) and 76 Fed. Reg. 30427 (May 25, 2011), available at https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=201105-1506-001.

⁴¹FinCEN guidance states that noncritical fields are not mandatory and do not create new obligations or change existing statutory or regulatory requirements. However, the guidance also states that filers are expected to complete noncritical fields if they have direct knowledge of the information. Department of the Treasury, Financial Crimes Enforcement Network, *Filing FinCEN's new Currency Transaction Report and Suspicious Activity Report*, FIN-2012-G002 (Mar. 29, 2012). Federal Financial Institutions Examination Council, *Bank Secrecy Act/Anti-Money Laundering Examination Manual* (Feb. 2021).

phone number, occupation or business type, gender, and email address.⁴²

Table 1: Percentage of Noncritical Currency Transaction Report (CTR) Fields Populated by Filers, Fiscal Years 2019–2023

CTR field	Percentage populated
Phone number	86%
Occupation or business type	85%
Gender	77%
Email address	62%
Industry code ^a	41%

Source: Summary data provided by the Financial Crimes Enforcement Network (FinCEN). | GAO 25-106500

FinCEN has stated it added noncritical fields because feedback from law enforcement officials indicated such information was important for query purposes. 43 However, our survey results indicated law enforcement agencies infrequently use some of these noncritical fields. 44 We estimated that about 60 percent of law enforcement agencies rarely or never used gender information and about 75 percent rarely or never used NAICS code information.

In contrast, our survey indicated law enforcement agencies frequently used critical fields, such as those related to account and identification numbers and location. For example, an estimated 94 percent of law

^aThese are standard industry codes from the North American Industry Classification System. Filers must link the codes to an occupation or business type.

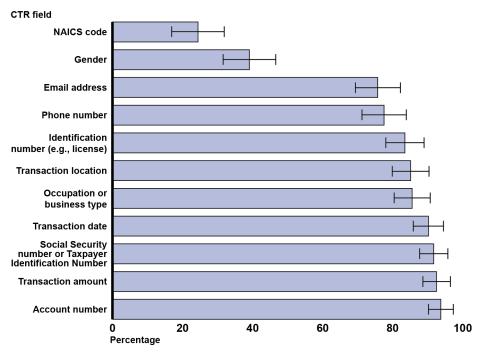
⁴²We considered a field to be populated if it contained any information for at least one party in a CTR. We considered a field not populated if it contained no information (i.e., a blank field or an "Unknown" value for gender) for any party.

⁴³See response to question 1 to Frequently Asked Questions Regarding the FinCEN Currency Transaction Report (CTR), effective October 3, 2019, available at https://www.fincen.gov/frequently-asked-questions-regarding-fincen-currency-transaction-report-ctr.

⁴⁴We surveyed all law enforcement agencies that had an active memorandum of understanding with FinCEN to access BSA reports as of June 30, 2023. See app. I for additional discussion of our survey methodology and app. II for detailed survey results.

enforcement agencies at least occasionally used account number, and about 85 percent at least occasionally used location (see fig. 4).⁴⁵

Figure 4: Estimated Percentage of Law Enforcement Agencies That Used Selected Currency Transaction Report (CTR) Fields At Least Occasionally



NAICS = North American Industry Classification System

├─ 95% confidence interval

Source: GAO survey of law enforcement agencies. | GAO-25-106500

Note: We use the term "at least occasionally" to cover survey responses that reported using CTR fields "occasionally" or "frequently." The response options to this survey question were: frequently; occasionally; not often; never; and don't know.

Section 6204 of AMLA directs Treasury to review CTR processes and requirements and propose changes to reduce unnecessary filer burden while still ensuring that the information in CTRs is highly useful in criminal, tax, or regulatory investigations. The section also calls for Treasury to determine whether the number and nature of CTR fields need to be adjusted. According to FinCEN officials, this review has not been

⁴⁵We use the term "at least occasionally" to cover survey responses that reported using CTR fields "occasionally" or "frequently". The response options to survey questions that asked about frequency were: frequently; occasionally; not often; never; and don't know.

completed due to competing priorities. These priorities include addressing new authorities and mandates imposed by AMLA, according to officials.⁴⁶

As of May 2024, officials told us FinCEN was in the process of consulting with law enforcement, regulatory, and other stakeholders to review CTR requirements and consider potential revisions. They noted a commitment to making changes as needed to ensure law enforcement continues to have access to highly useful information while eliminating unnecessary regulatory burdens.⁴⁷ However, FinCEN has not yet determined what actions, if any, it will take in response to its review, including whether it will make changes to CTR fields. By eliminating optional, noncritical fields that are not frequently used by law enforcement, FinCEN could reduce unnecessary burden on financial institutions while maintaining information highly useful to law enforcement.

Institutions Face Constraints Using Exemptions

As discussed previously, depository institutions can exempt certain customers from CTR filing requirements.⁴⁸ However, these exemptions are limited to exempting customers that are other banks, government agencies, or business customers meeting specific criteria. FinCEN implemented two types of exemptions—Phase I and Phase II—for different customer types (see table 2). The exemptions vary, based on customer type and business activities, in whether they require the

⁴⁶FinCEN issued a request for information in December 2021 that it stated was intended to support its ongoing formal review of BSA regulations and guidance required pursuant to Section 6216 of AMLA. FinCEN received comments on a variety of topics, including CTR exemption requirements. See 86 Fed. Reg. 71201 (Dec. 15, 2021).

⁴⁷FinCEN officials said FinCEN is undertaking a stakeholder consultation process similar to what it used when implementing changes to the CTR form in 2012. This process involved multiple meetings with federal law enforcement, regulatory, and other stakeholders that were members of FinCEN's Data Management Council to review required and nonrequired data fields and design the consolidated CTR, according to FinCEN officials.

⁴⁸See 31 C.F.R. § 1020.315 for requirements related to banks and transactions of exempt persons. See FinCEN, *Guidance on Determining Eligibility for Exemption from Currency Transaction Reporting Requirements*, FIN-2012-G003 (June 11, 2012), available at https://www.fincen.gov/sites/default/files/shared/FIN-2012-G003.pdf. See also 31 C.F.R. § 1010.315 for requirements related to certain nonbank financial institutions (e.g., casinos, money services businesses, broker-dealers, mutual funds, and futures commission merchants and introducing brokers in commodities) and exemptions from obligation to file reports of transactions in currency.

institution to file an exemption report, or whether they require an annual review of the exemption.⁴⁹

Table 2: Currency Transaction Report Exemption Requirements by Customer Type Annual review^c Type of customer File a Designation of Ineligible business Exempt Person reporta activityb Phase I Banks operating in the U.S. No n/a Nο Federal, state, local, or inter-state governmental No n/a No departments, agencies, or authorities Entities listed on the major national stock exchanges Yes n/a Yes Certain subsidiaries of entities listed on the major Yes n/a Yes national stock exchanges Phase II Non-listed businesses No more than 50% of Yes Yes gross revenues derived from ineligible activity

Yes

Legend: n/a = Not applicable

Payroll customers^d

Source: GAO analysis of FinCEN guidance. | GAO-25-106500.

^aWhen a depository institution chooses to exempt certain customers under Phase I or Phase II, it must electronically file a one-time Designation of Exempt Person report (FinCEN Form 110).

n/a

^bFinCEN has identified a list of ineligible activities that apply to non-listed businesses. Ineligible activities include money transmission, lottery, gaming, and sales of motor vehicles, of which a business can derive no more than 50 percent of its gross revenues to be exempt.

^cAt least once each year, banks must review the eligibility of an exempt person that is a listed public company, a listed public company subsidiary, a non-listed business, or a payroll customer to determine whether such person remains eligible for an exemption.

^dPayroll customers operate a firm that frequently (five or more transactions within a year) withdraws more than \$10,000 to pay its U.S. employees in currency.

Our analysis of CTR data found that over a 10-year period, about 60 percent of CTRs that were filed included businesses.⁵⁰ Although not all of these businesses may be eligible for exemption, there is potential to identify and expand exemptions to capture some portion of cash intensive businesses that have routine cash transactions that are considered lowrisk for money laundering.

Yes

⁴⁹Entities commonly known as "Phase I" are listed in 31 C.F.R. § 1020.315(b)(1)-(b)(5). Entities commonly known as "Phase II" are listed in 31 C.F.R. § 1020.315(b)(6) and (b)(7).

⁵⁰To determine the percentage of CTRs filed on a business, we counted CTRs where at least one party on a CTR was a business. FinCEN defines the term party as the person(s) involved in the transactions. A party can be an individual or a business.

Representatives for large and regional banks generally said their institutions used minimal exemptions because they are more time-consuming, costlier, and pose greater compliance risk than filing CTRs. Representatives for many smaller depository institutions (credit unions, community banks, or mid-sized banks) said they did not file many exemptions because many of their business customers did not qualify for exemptions based on the restrictive eligibility criteria.

Phase I exemptions for businesses are generally limited to companies listed on major national stock exchanges (listed companies), restricting their use to a small share of business customers. There were about 6,000 companies listed on the New York Stock Exchange and the Nasdaq Stock Market, compared to nearly 11 million business customers identified in CTR filings in fiscal year 2023. Listed companies make up a small portion of the roughly 321,000 large operating companies that FinCEN estimated would be exempt in supplementary information included with its beneficial ownership reporting rule. 52

Bank representatives we interviewed identified challenges with Phase II exemptions, including the following:

Documenting exemption decisions. The supplementary information included with FinCEN's 2008 final rule amending exemptions stated that banks do not need to maintain separate documentation for exemption determinations based on activities performed for other BSA obligations, such as the requirement to maintain a customer identification program.⁵³ Instead, the bank may make notations within its other BSA documentation. However, some bank representatives we interviewed

⁵¹FinCEN determined that CTRs filed on entities listed on major national stock exchanges would have little or no value for law enforcement purposes, and that it is unlikely that any money laundering or tax evasion would be detected by a simple examination of currency transaction reports due to the scale of these enterprises and the variety of internal and external controls they are subject to. See 62 Fed. Reg. 47141, 47144-45 (Sept. 8, 1997). Phase I exemptions also include any subsidiary of a listed entity (other than a bank) that is organized under the laws of the United States or of any state and at least 51 percent of whose common stock or analogous equity interest is owned by the listed entity.

⁵²87 Fed. Reg. 59498, 59567 (Sept. 30, 2022). The Corporate Transparency Act includes a number of statutory exemptions from the beneficial ownership reporting requirements. These include entities that have more than 20 employees on a full-time basis in the United States and annual gross receipts over \$5 million. The entity must also have an operating presence at a physical office in the United States. 31 U.S.C. § 5336(a)(11)(B)(xxi). See also 31 C.F.R. § 1010.380(c)(2)(xxi).

⁵³See 73 Fed. Reg. 74010, 74012 (Dec. 5, 2008).

believed additional steps were necessary to support Phase II exemptions. FinCEN officials told us that banks may obtain exemption-related information through other BSA obligations but must comply with all applicable exemption documentation requirements.⁵⁴

Determining extent of ineligible activities. According to some bank representatives we interviewed, banks are reluctant to exempt non-listed businesses that engage in some ineligible business activities because it is difficult or time-consuming to determine and monitor the scope of these activities. Specifically, banks need to identify what portion of a Phase II business's services constitute ineligible activities and whether these activities account for more than 50 percent of the business's gross revenues, which would render the business ineligible for exemption. CTR data by industry indicate that CTRs are commonly filed on business categories, such as grocery stores or gas stations, that may conduct some ineligible activities, such as money transmission, in addition to their primary services (see fig. 5).

⁵⁴FinCEN officials also noted that BSA regulations describe the requirements banks can use to determine a customer's eligibility for CTR exemptions.

Figure 5: Number of Currency Transaction Reports (CTR) Filed, by Selected Industry Type, Fiscal Years 2014–2023 Industry Miscellaneous store retailers Merchant wholesalers nondurable goods Merchant wholesalers durable goods Couriers and messengers Credit intermediation and related activities Motor vehicle and parts dealers Administrative and support services Gasoline stations Food services and drinking places Food and beverage retailer (e.g., grocery and convenience stores)

Source: GAO analysis of Financial Crimes Enforcement Network (FinCEN) data. | GAO-25-106500

2

Notes: Industry types are based on the North American Industry Classification System (NAICS) code, which is a noncritical (nonrequired) field. CTRs may be filed without reporting a NAICS code for any party. The figures represent CTRs with at least one industry type reported for a party. FinCEN defines the term party as the person(s) involved in the transactions. A party can be an individual or a business. A single CTR may include multiple parties with different industry types and are counted for each industry reported. A CTR that reported more than one party in the same industry would be counted only once for that industry.

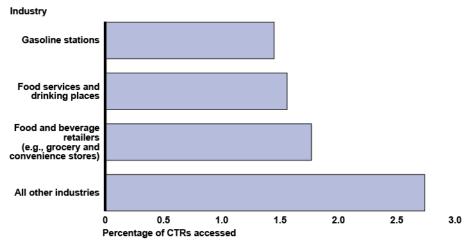
Number of currency transaction reports (in millions)

Further, our analysis shows that law enforcement accessed CTRs filed on grocery stores, gas stations, and convenience stores, which may conduct some portion of ineligible activities, proportionally less than other industries (see fig. 6). This indicates that these CTRs may be relatively less useful than CTRs of other industries.⁵⁵

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⁵⁵To determine which CTRs were not accessed, we reviewed data from FinCEN's BSA Portal and the internal systems of ICE, IRS-CI, CBP, and OCDETF.

Figure 6: Proportion of Currency Transaction Reports (CTR) Filed in Fiscal Years 2014–2023 That Were Accessed by Law Enforcement in Fiscal Year 2023, by Selected Industry Type



Source: GAO analysis of data from the Financial Crimes Enforcement Network's (FinCEN) Bank Secrecy Act (BSA) Portal and agencies' internal systems. | GAO-25-106500

Notes: Percentages represent Currency Transaction Reports (CTRs) accessed through FinCEN's BSA Portal or the internal systems of U.S. Immigration and Customs Enforcement, Internal Revenue Service Criminal Investigation, U.S. Customs and Border Protection, and Organized Crime and Drug Enforcement Task Forces. Definitions of access vary depending on the system. Industry types are based on the North American Industry Classification System (NAICS) code, which is a noncritical (nonrequired) field. CTRs may be filed without reporting a NAICS code for any party. The figures represent CTRs with at least one industry type reported for a party.

Additionally, officials from IRS-CI, Secret Service, and Homeland Security Investigations supported expanding CTR exemptions to include more cash businesses that banks determine to be low-risk for money laundering, such as well-established restaurants or gas stations. IRS-CI officials said this could reduce the number of CTRs filed on legitimate cash businesses that pose minimal risk of money laundering. As discussed earlier, as of July 2024, Treasury was past the deadline to complete its AMLA-mandated review on streamlining CTR requirements, including the use of exemptions.

Regulators and Financial Institutions Identified Challenges to Complying with Aggregation Requirements

Many financial institution representatives and some financial regulators we spoke with cited aggregation requirements as a key challenge in banks' implementation of CTR requirements, with some banking representatives noting the requirements can be unclear.

Many financial institution representatives we spoke with told us that aggregating transactions by conductor was a key challenge.⁵⁶ For example, some of these representatives highlighted challenges in collecting information on conductors that are not the institution's customer.⁵⁷ In such cases, financial institutions must either collect information at the time of the transaction or conduct research or follow up after the transaction. Representatives from two banks suggested simplifying the process by removing the requirement to aggregate transactions based on conductors and applying it solely to the beneficiary (typically a customer of the depository institution). FinCEN officials told us they are soliciting and evaluating stakeholder input on the usefulness of both conductor and beneficiary aggregation as part of FinCEN's consultation efforts under Section 6204 of AMLA.

Some bank representatives said their institutions had difficulty determining whether or when to start collecting information on conductors of transactions. For example, representatives from one bank cited challenges anticipating whether a conductor will conduct multiple transactions totaling over \$10,000 in a business day, triggering the need to file a CTR.

Banks whose representatives we interviewed differed in their policies regarding the collection of conductor information. For example, some collected information on all transactions regardless of amount, some started at low dollar values (such as \$500), and some collected information only when the transaction exceeded \$10,000. Representatives from one large bank said it collected conductor information starting at \$500 to comply with its interpretation of aggregation requirements, which they said often results in collecting unnecessary information (because it does not result in a CTR). However, another representative said many banks collect conductor information for every transaction, regardless of amount, as a best practice. In contrast, three large banks we interviewed had a different interpretation of the aggregation rules and guidance, opting not to collect conductor information for transactions below the \$10,000 threshold.

⁵⁶Aggregation requires tracking information on both the conductor (person transacting) and the beneficiary (person on whose behalf the transaction was conducted) of a transaction.

⁵⁷Conductors are individuals making a cash transaction. An example of a noncustomer conductor is an employee depositing cash on behalf of a business.

According to FinCEN's frequently asked questions, filers are not required to collect conductor information in certain circumstances. A CTR filer can instead select an "aggregate transactions" checkbox if the following conditions are met: (1) the financial institution did not identify any of the individuals conducting the related transactions, (2) all the transactions were below the \$10,000 threshold, and (3) at least one of the aggregated transactions was a teller transaction.

Many financial institution representatives we spoke with said aggregation requirements resulted in increased CTR compliance costs, including staff resources and IT investments. For example, aggregation can require tracking multiple cash sources, as discussed earlier. Some bank representatives also cited difficulty aggregating and reporting cash transactions by individual business names under sole proprietorships. They also cited challenges tracking transactions by location for legal entities with multiple locations.⁵⁸

Officials from some federal law enforcement agencies and over half of the state and local law enforcement agencies we interviewed said that large aggregated CTRs can be difficult to review and are not necessarily useful. One large bank described encountering CTRs with more than 750 parties, which the bank splits into separate CTRs by regional locations to capture all the transaction details. ⁵⁹ Officials from OCDETF Fusion Center and CBP noted that large consolidated CTRs may aggregate unrelated transactions, making it difficult for investigators to establish a money trail. Although our data analysis shows that law enforcement agencies generally access CTRs with a larger number of parties, this does not necessarily indicate that these CTRs are more useful. Instead, it may be that the search criteria match CTRs with more parties simply because they contain more data to match.

⁵⁸See Department of the Treasury, Financial Crimes Enforcement Network, *FinCEN CTR* (Form 112) Reporting of Certain Currency Transactions for Sole Proprietorships and Legal Entities Operating Under a "Doing Business As" ("DBA") Name, FIN-2020-R001, (Feb. 10, 2020). This ruling was later suspended in guidance issued in response to the COVID-19 pandemic, but FinCEN stated that financial institutions that had already made the necessary changes to comply with the 2020 ruling did not need to revert to prior practice and could report CTRs in accordance with the now-suspended ruling. See Department of the Treasury, Financial Crimes Enforcement Network, *The Financial Crimes Enforcement Network Provides Further Information to Financial Institutions in Response to the Coronavirus Disease 2019 (COVID-19) Pandemic,* (Apr. 3, 2020).

⁵⁹FinCEN defines the term party as the person(s) involved in the transactions. A party can be an individual or a business.

AMLA requires FinCEN to review CTR requirements to determine if changes are needed to reduce unnecessary burden for filers and ensure that CTRs provide highly useful information to law enforcement. 60 This review includes assessing potential improvements to CTR aggregation for entities with common ownership. Further, Section 6205 of AMLA requires Treasury to review and determine whether the CTR dollar thresholds, including aggregate thresholds, should be adjusted.

As of May 2024, FinCEN officials told us the agency was in the process of conducting these reviews by taking steps such as soliciting and evaluating input from relevant stakeholders. As previously discussed, officials also noted FinCEN's commitment to making changes as needed to ensure law enforcement continues to have access to highly useful information while eliminating unnecessary regulatory burdens. However, FinCEN has not completed the reviews that were due in January 2022 or determined what changes, if any, it will make to aggregation requirements. Simplifying and clarifying aggregation requirements could reduce unnecessary burden on financial institutions while still providing useful information to law enforcement.

FinCEN Does Not Have a Performance Management Process Specific to CTRs

FinCEN has not established a performance management process that defines performance goals and measures and is specifically related to CTR effectiveness. We have previously defined a performance management process as a process by which organizations

- set goals to identify the results the agency seeks to achieve,
- collect performance information to measure progress, and
- use that information to assess results and inform decisions to ensure further progress toward achieving those goals.⁶¹

We have also previously identified key practices to help federal officials manage and assess the performance of their efforts, including individual programs and activities. 62 CTRs are an important program activity

⁶⁰AMLA Section 6204 states that Treasury is to propose changes to the reporting requirements to reduce any unnecessarily burdensome regulatory requirements and ensure that the information provided fulfils the purposes described in 31 U.S.C. § 5311. Those purposes are to require reports that are highly useful in criminal, tax, or regulatory investigations, risk assessments, or proceedings; or intelligence or counterintelligence activities, including analysis, to protect against terrorism.

⁶¹GAO/GGD-96-118.

⁶²GAO-23-105460.

because they result in the majority of BSA filings (about 75 percent) and have a significant impact on both law enforcement agencies and financial institution filers. These key practices state that performance goals should be objective, measurable, and quantifiable.

FinCEN's performance plan identifies goals from Treasury's strategic plan, including the objective of increasing financial system transparency. While the plan has a performance measure on the usefulness of BSA reports to law enforcement, the measure is not specific to CTRs.⁶³ In addition, our previous work has found that the surveys FinCEN uses for this performance measure were not reliable.⁶⁴ FinCEN officials noted the challenges of quantifying the use of CTRs, as described in DOJ's annual report on agencies' use of BSA reporting required by AMLA.⁶⁵ The officials also said the agency is considering performance management steps, such as more targeted measures for tracking the usefulness of BSA reports, but does not yet have goals or measures related to CTRs.

FinCEN already collects data on law enforcement's access of CTRs. Some of these data, such as the number and percentage of CTRs accessed by law enforcement, could serve as a valuable source of evidence to measure CTR usefulness. By developing a performance management process, including goals and related measures, that is targeted to CTRs, FinCEN could better monitor the effectiveness of CTRs and identify modifications and improvements to better ensure CTRs meet statutory objectives.

Law Enforcement Agencies Find CTRs Useful, but Did Not Access Most CTRs Our survey found that nearly all of the 327 law enforcement agencies with direct access to CTRs used them and considered them important to investigations and prosecutions. However, these agencies accessed a small portion of all CTRs filed. This suggests that there are opportunities to reduce the volume of CTRs without compromising their usefulness to law enforcement.

⁶³The performance measure related to BSA reports is "Percentage of domestic law enforcement and regulators who assert queried Bank Secrecy Act data led to detection and deterrence of illicit activity."

⁶⁴GAO-24-106301.

⁶⁵Pub. L. No. 116-283, § 6201, 134 Stat. 3388, 4565–4566 (2021).

Law Enforcement Reported CTRs Can Be a Useful Source of Information

We conducted a generalizable survey of all 327 law enforcement agencies that had a memorandum of understanding with FinCEN for direct access to BSA reports (165 federal and 162 state and local agencies). 66 We received responses from 197 agencies (89 federal and 108 state and local agencies), an overall response rate of 60 percent. We asked about agencies' use of CTRs from January 2021 through January 2024.

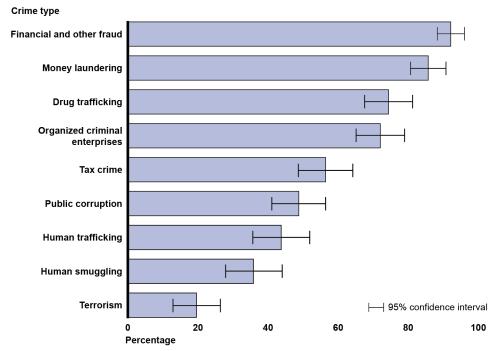
Use of CTRs

We estimated that 96 percent of law enforcement agencies used CTRs from January 2021 through January 2024. Federal agencies used CTRs at generally the same rates as state and local agencies. ⁶⁷ Surveyed agencies reported that CTRs were relevant to a range of crimes, especially fraud, money laundering, drug trafficking, and organized crime (see fig. 7). In addition, FBI provided data indicating that CTRs are most often relevant to its program that investigates drug trafficking and organized crime.

⁶⁶We surveyed all law enforcement agencies that had an active memorandum of understanding with FinCEN to access BSA reports as of June 30, 2023. See app. I for additional discussion of our survey methodology and app. II for detailed survey results.

⁶⁷In a 2020 GAO survey of 5,257 law enforcement personnel at six federal agencies, we found that 67 percent of surveyed personnel used CTRs in their work at least occasionally from 2015 through 2018. GAO, *Anti-Money Laundering: Opportunities Exist to Increase Law Enforcement Use of Bank Secrecy Act Reports, and Banks' Costs to Comply with the Act Varied,* GAO-20-574 (Washington, D.C.: Sept. 22, 2020).

Figure 7: Estimated Percentage of Law Enforcement Agencies That at Least Occasionally Identified Currency Transaction Reports Relevant to Selected Crimes, January 2021–January 2024



Source: GAO. | GAO-25-106500

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. We use the term "at least occasionally" to cover survey responses that reported using currency transaction report fields "occasionally" or "frequently." The response options to this survey question were "frequently," "occasionally," "not often," "never," and "not applicable to agency."

According to our survey, federal, state, and local agencies generally align in their use of CTRs by crime type. Law enforcement agency officials provided the following examples of investigations in which CTRs were useful:

- A complex money laundering investigation in which CTRs helped investigators identify patterns of money movement and additional bank accounts associated with the scheme.
- A benefits fraud investigation in which CTRs helped investigators detect a business owner defrauding a government program.

- Tax fraud investigations in which CTRs helped identify retail businesses that may be underreporting cash receipts.
- Money laundering investigations in which suspects import cash to the U.S., generating CTRs and alerting law enforcement to investigate the source of the cash.

Law enforcement agencies use CTRs as a searchable database to confirm information about subjects of existing investigations and potentially discover new leads. 68 Officials from most law enforcement agencies we interviewed told us they search all BSA reports at once, rather than just CTRs. Investigators search for information, such as a subject's name, date of birth, or other identifying information, according to FinCEN officials. An estimated 91 percent of surveyed agencies at least occasionally used CTRs to develop leads for existing investigations. In addition, an estimated 47 percent of agencies searched CTRs as a standard practice for each investigation or prosecution.

Law enforcement agencies sometimes also use CTRs to develop cases and initiate new investigations, according to our interviews and survey. Officials from many of the law enforcement agencies we interviewed told us their agencies did not typically use CTRs to initiate investigations. Some of these officials said it was more common to initiate investigations in response to a SAR. However, an estimated 67 percent of surveyed agencies at least occasionally used CTRs to identify the need for new investigations. For example, IRS-CI has used CTRs for case development projects in the areas of pandemic relief fraud, tax fraud, and casino-based money laundering, according to officials.⁶⁹

Importance of CTRs

An estimated 91 percent of law enforcement agencies reported that CTRs were important to investigations or prosecutions. According to our survey results, the most important aspect of CTRs was providing unique account information—about 75 percent of surveyed agencies considered it very important.

Officials from most law enforcement agencies we interviewed emphasized that criminals know about CTR reporting requirements and

⁶⁸As discussed earlier, agencies without direct access to BSA reports may request searches of the BSA database through FinCEN or through the agency designated as their state coordinator.

⁶⁹Results from these case development projects include the initiation of 40 investigations of pandemic fraud involving approximately \$66 million and the initiation of 49 investigations related to casino CTRs, according to IRS-CI officials.

modify their behavior to avoid CTRs. Many of these officials said CTR requirements force criminals to act in ways that increase chances of detection through other methods, such as structuring SARs. Financial institutions reported more than 900,000 structuring activities on SARs each fiscal year from 2019 through 2023.70 From 2019 through 2022, law enforcement agencies accessed structuring SARs through BSA Portal more than 450,000 times each fiscal year.71

Officials from many law enforcement agencies we spoke with told us that CTRs are more likely to contain accurate information than other sources or may contain information that is not available from other sources. For example, IRS-CI officials said a CTR may capture the identity of a person conducting a transaction on behalf of a business, while bank records may not, which could help trace illicit currency movements. Additionally, some officials said it would often be harder and more time- or resource-intensive to obtain information from alternative sources, potentially hindering investigations.

Still, most surveyed agencies reported they would have been able to use information from other sources, such as SARs, if CTR information had been unavailable. An estimated 90 percent of agencies would have been able to use SARs instead of CTRs from January 2021 through January 2024. An estimated 64 percent of agencies would have been similarly efficient in their work by using SARs instead of CTRs (see table 3).

Table 3: Estimated Percentage of Law Enforcement Agencies That Were Able to Use Other Sources Instead of Currency Transaction Reports, January 2021–January 2024

	Estimated percentage	95 percent confidence interval
Bank records	91%	87–95%
Yes, with similar efficiency	51%	44–59%
Yes, but with less efficiency	40%	32–47%

⁷⁰SARs can report multiple types of suspicious activities on a single report, including multiple types of structuring activities. For purposes of this report, we considered a structuring SAR to be any SAR that reports at least one structuring activity. Not all reportable structuring activities arise from attempts to avoid CTRs. For example, attempts to avoid threshold-based recordkeeping requirements for funds transfers are also reportable as structuring activity. There were over 575,000 structuring SARs filed in fiscal year 2023 that reported structuring activity to avoid the CTR threshold.

⁷¹Most agencies did not specifically track access to structuring SARs on agencies' internal systems over this period.

	Estimated percentage	95 percent confidence interval
Suspicious activity reports (other than structuring)	90%	86–95%
Yes, with similar efficiency	64%	57–72%
Yes, but with less efficiency	26%	19–32%
Suspicious activity reports (structuring)	88%	83-93%
Yes, with similar efficiency	60%	52–67%
Yes, but with less efficiency	28%	21–35%
Other Bank Secrecy Act reports	79%	73–85%
Yes, with similar efficiency	45%	37–53%
Yes, but with less efficiency	34%	27–42%
314(a) program ^a	66%	58-75%
Yes, with similar efficiency	25%	17–34%
Yes, but with less efficiency	41%	32–50%
Tax records	63%	55–71%
Yes, with similar efficiency	26%	19–33%
Yes, but with less efficiency	37%	29–45%

Source: GAO. | GAO-25-106500

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network (FinCEN) to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

^aFinCEN's 314(a) program enables law enforcement agencies, through FinCEN, to contact U.S. financial institutions to locate accounts and transactions of subjects that may be involved in terrorism or money laundering.

IRS-CI provided data showing that, on average, about 35 cases originated from CTRs each fiscal year from 2020 to 2022. Other than IRS-CI, few law enforcement agencies track whether using CTRs leads to outcomes such as case originations, indictments, convictions, or recoveries. 72 Officials from some agencies we interviewed said they do not track use of CTRs separately from other sources of information used during an investigation or prosecution. Additionally, officials from four agencies told us they do not mention CTRs in court records, warrants, or

⁷²FinCEN operates the FinCEN Law Enforcement Awards program, which recognizes BSA reporting that was particularly helpful in supporting investigations. FinCEN publishes brief descriptions of award-receiving cases but does not make public the extent to which the investigations used any specific type of BSA report. In previous reports, we discuss some other mechanisms that FinCEN and law enforcement use to provide metrics and feedback to financial institutions on their use of BSA reports. See GAO-24-106301 and GAO-19-582.

other evidentiary documents.⁷³ An estimated 13 percent of surveyed agencies reported tracking their CTR use. Among 23 agencies that described on our survey how they tracked their CTR use, two described tracking outcome-related metrics.⁷⁴

In response to a Congressional mandate, DOJ began submitting an annual report to Treasury in 2022 that is required to contain statistics, metrics, and information on contributions of BSA reports to law enforcement outcomes. ⁷⁵ In a 2022 report, we found that law enforcement agencies had difficulty linking BSA reports to outcomes, and some reported difficulty determining what it means to "use" a BSA report. ⁷⁶ We made two recommendations for DOJ to improve data collection and analytical rigor for its annual reports to Treasury, and as of July 2024, DOJ had implemented one of these two recommendations. ⁷⁷ The second annual DOJ report to Treasury, covering fiscal year 2022, did not include any outcome metrics specifically for CTRs. ⁷⁸

A Small Portion of CTRs Are Accessed by Law Enforcement

⁷³Some law enforcement agencies may avoid using CTRs as evidence because of concerns about revealing investigative techniques, officials said.

⁷⁴One agency described tracking investigations that use CTRs generally and one described specifically tracking investigative outcomes of investigations that use CTRs.

⁷⁵Anti-Money Laundering Act of 2020, Pub. L. No. 116-283, § 6201, 134 Stat. 3388, 4565-4566 (2021). Section 6201 of the act requires DOJ, in consultation with other agencies, to annually produce a report containing statistics, metrics, and other information on the use of data derived from financial institutions reporting under the BSA, and directs DOJ to submit the report to Treasury, which is to use the information to help assess the usefulness of BSA reporting, enhance feedback and communications with financial institutions and other entities subject to BSA requirements, and assist FinCEN in considering revisions to certain reporting requirements.

⁷⁶GAO, Bank Secrecy Act: Action Needed to Improve DOJ Statistics on Use of Reports on Suspicious Financial Transactions, GAO-22-105242 (Washington, D.C.: Aug. 25, 2022).

⁷⁷GAO-22-105242. DOJ neither agreed nor disagreed with the recommendations.

⁷⁸The report included statistics on investigations initiated by some law enforcement agencies as a result of BSA data in general.

Most CTRs are not accessed by law enforcement agencies, according to our analysis of data from FinCEN's BSA Portal and agencies' internal systems.⁷⁹

Five federal agencies—FBI, U.S. Immigration and Customs Enforcement, IRS-CI, CBP, and DEA—accounted for about two thirds of all law enforcement CTR accesses through BSA Portal in fiscal years 2019–2023. Overall, personnel from these five agencies constituted more than half of all active law enforcement users on BSA Portal. All except DEA also have Agency Integrated Access agreements with FinCEN, permitting them to allow personnel to access BSA reports on their internal systems. ⁸⁰ DEA officials told us that the agency has requested Agency Integrated Access, and FinCEN officials told us FinCEN is working with DEA to draft an Agency Integrated Access agreement to provide DEA access. ⁸¹

Accessing a CTR does not necessarily mean that law enforcement personnel viewed it or used it in their work. For example, officials said IRS-Cl's internal system records access when a user loads a page with information from multiple sources, including CTRs, making it impossible

⁷⁹Most authorized agencies access BSA reports through FinCEN's BSA Search tool within BSA Portal. Some large users of BSA reports also have special authority permitting them to allow personnel to access BSA reports on their internal systems. As part of this authority, agencies are required to maintain auditable logs of CTRs accessed on their systems. Systems differ in how they display CTR information and record CTR access. Access includes users opening a CTR on-screen, downloading a CTR, or—for certain agencies' internal systems only—loading a summary screen that contained information from a CTR. Throughout this report we specify whether we are referring to CTRs accessed through BSA Portal, agencies' internal systems, or both. See app. III for additional information on agency access.

80 Agency Integrated Access, formerly called bulk data access, allows agencies to download BSA data onto their own audited and protected computer systems. The agencies then may grant personnel access to search BSA data directly on internal systems. As of June 2024, the law enforcement agencies with Agency Integrated Access were FBI, ICE, IRS-CI, CBP, OCDETF, and Secret Service. Secret Service officials told us that, as of December 2023, the agency was in the process of implementing direct access to BSA reports on its internal systems and investigative personnel did not yet have access.

⁸¹In 2023, the Acting Director of FinCEN testified that the agency was updating its procedures related to access to BSA information in response to weaknesses identified by the Treasury Office of the Inspector General. Himamauli Das, Acting Director, FinCEN, testimony before the House Committee on Financial Services, Subcommittee on National Security, Illicit Finance, and International Financial Institutions, 118th Cong., April 27, 2023.

to determine if the user looked at or used a particular CTR.⁸² Similarly, BSA Portal allows law enforcement users to download batches of up to 5,000 BSA reports per session, according to FinCEN officials. Accessing a CTR through this method does not ensure law enforcement personnel reviewed or used it.

Conversely, BSA Portal access data may not always capture law enforcement's views or use of CTR information. Specifically, when using BSA Portal, users can view CTR fields on a summary search results screen without opening or downloading the CTR and generating an access record.⁸³ This means that law enforcement personnel may use CTR information in their work without it being reflected in the access data. However, officials from two federal law enforcement agencies that are heavy users of CTRs told us that investigators would typically review a relevant report in BSA Portal rather than viewing only summary data.

CTRs Accessed through BSA Portal in Fiscal Years 2014– 2023 A small portion of the CTRs filed were ever accessed by law enforcement through FinCEN's BSA Portal during the period of our review. Of the more than 167 million CTRs filed from fiscal year 2014 through fiscal year 2023, about 5.4 percent (about 9 million) were accessed through the portal. FinCEN's policy, prior to a system transition in June 2024, was to make CTRs accessible indefinitely. Because they were available for longer, earlier years' CTRs were more likely to be accessed. Fewer than 7 percent of CTRs were accessed within 5 years of filing, and 7.6 percent

⁸²IRS-CI was the heaviest user of CTRs as measured by access data. See app. III for additional information.

⁸³FinCEN's audit logs do not track user views of summary query results in BSA Portal, according to officials. FinCEN tracks when a CTR was opened, downloaded, or exported. We considered CTR access to be any instance that a CTR was opened, downloaded, or exported.

⁸⁴The 5.4 percent does not include CTRs accessed on the internal systems of Agency Integrated Access agencies. We present analysis of data from those agencies' internal systems later in this section. Access data also do not reflect CTRs that law enforcement obtained directly from a financial institution through legal process, such as a subpoena. See app. IV for additional information on which CTRs were accessed through BSA Portal.

⁸⁵After a system transition in June 2024, FinCEN no longer makes CTRs accessible through BSA Portal indefinitely, according to FinCEN officials. Instead, BSA Portal users can access CTRs from the most recent 10 years and the current year. The majority of law enforcement agencies with Agency Integrated Access store CTRs in their internal systems for access by authorized users indefinitely, according to officials. IRS-CI and OCDETF retain CTRs in their internal systems for 10 years plus the current year, while CBP, FBI, and ICE retain CTRs indefinitely, according to officials. ICE officials told us that ICE is coordinating with FinCEN to implement time-based data retention policies.

of fiscal year 2014 CTRs had been accessed by the end of fiscal year 2023 (see table 4).86

Table 4: Proportion of Currency Transaction Reports (CTRs) Accessed by Law Enforcement Agencies in BSA Portal Within 3, 5, and 9 Years of Filing, Fiscal Years 2014–2023

	Proportion of CTRs	Filing years included
Accessed within 3 years	5.7%	2014–2020
Accessed within 5 years	6.6%	2014–2018
Accessed within 9 years	7.6%	2014

Source: GAO analysis of Financial Crimes Enforcement Network (FinCEN) data. | GAO-25-106500

Notes: This table displays CTRs accessed through BSA Portal and does not include CTRs accessed on the internal systems of Integrated Access agencies. CTRs were counted as accessed within 3 years if they were accessed by the end of the third fiscal year after the fiscal year in which they were filed

Among the 5.4 percent of CTRs accessed through BSA Portal, most were accessed once. Fewer than 1 percent of CTRs filed in fiscal years 2014 through 2023 were accessed through the portal more than twice. However, law enforcement officials noted investigators may view CTRs downloaded from BSA Portal multiple times outside of the portal, or share them with colleagues, which would count as a single access in our analysis.⁸⁷ This suggests some CTRs that were only accessed once may have been viewed many times.⁸⁸

CTRs Accessed through Either BSA Portal or Agency Internal Systems in Fiscal Year 2023 A significant portion of law enforcement's CTR use occurs on internal systems of agencies with Agency Integrated Access. However, these systems differ in how they display CTR information, how users access it,

⁸⁶FinCEN's system records an access when a CTR is opened or downloaded through BSA Portal but does not distinguish between an on-screen view and a download, according to officials. In our analyses of law enforcement CTR accesses through BSA Portal, either opening or downloading CTRs counts as an access.

87Our analysis of CTR accesses through FinCEN's BSA Portal counts on-screen views within BSA Portal and downloads from BSA Portal. Viewing a CTR on-screen and then downloading it would count as two accesses, according to officials. Downloading a CTR and viewing it multiple times outside of BSA Portal would count as one access, for the initial download.

⁸⁸Among CTRs filed from fiscal years 2014 through 2023, 3.6 percent were accessed through BSA portal once, 1.0 percent were accessed twice, and 0.8 percent were accessed more than twice. The remaining 94.6 percent of CTRs were not accessed.

and how such access is recorded. As a result, data on CTR accesses from internal systems are not directly comparable between agencies or with FinCEN's BSA Portal.⁸⁹ To present a more comprehensive picture, we combined BSA Portal data with internal system data from agencies with Agency Integrated Access.⁹⁰

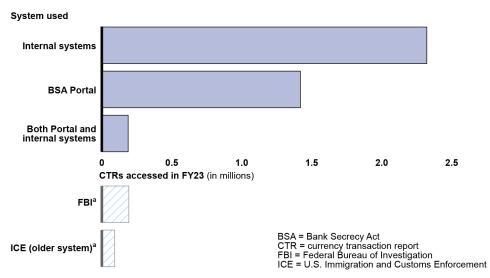
Our analysis of the combined data for fiscal year 2023 (the most recent full year with complete data) showed that law enforcement agencies accessed between about 3.9 million and about 4.2 million of the CTRs filed since fiscal year 2014.91 This represented less than 3 percent of the more than 167 million CTRs filed in that period. See figure 8 for law enforcement access to CTRs on BSA Portal or agencies' internal systems.

⁸⁹For example, BSA Portal displays some information from CTRs to users on a search results screen but does not record a view unless the user opens the full CTR or downloads the CTR. Some agency internal systems record a view when CTR information is displayed on summary screens, and their users may rely on CTR information from summary screens without opening the full CTR. See app. III for more details about access data

⁹⁰We obtained full fiscal year 2023 data on CTR accesses from FBI, IRS-CI, CBP, and OCDETF systems. We obtained partial fiscal year 2023 data from ICE's recently implemented internal system, but most of the agency's internal CTR use occurred on an older system. The combined data do not include accesses by FinCEN analysts through BSA Portal or FinCEN internal systems. See app. III for more information on FinCEN's use of CTRs for analytic purposes.

⁹¹In fiscal year 2023, law enforcement agencies accessed at least 3,929,286 and as many as 4,214,595 of the 167,525,214 CTRs filed since fiscal year 2014. Law enforcement personnel accessed 3,929,286 such CTRs through BSA Portal, ICE's newer system, and the internal systems of IRS-CI, CBP, and OCDETF. FBI personnel accessed 193,001 such CTRs through FBI's internal system and up to 92,308 such CTRs appeared in search results in ICE's older system. However, because these agencies did not provide us with FinCEN CTR identification numbers for these two systems, we could not determine how many of the CTRs accessed in these systems were also accessed in other agencies' systems.

Figure 8: Number of CTRs Accessed by Law Enforcement on BSA Portal or Agency Internal Systems in Fiscal Year 2023 (FY23), for CTRs Filed in Fiscal Years 2014–2023



Notes: Internal systems category includes CTRs accessed on the internal systems of IRS Criminal Investigation, U.S. Customs and Border Protection, the Organized Crime and Drug Enforcement Task Forces, and ICE's newer internal system. Systems differ in how they display CTR information and record CTR access.

^aWe were not able to determine the extent to which CTRs accessed by FBI or ICE's older system overlap with CTRs accessed by other law enforcement agencies because FBI and ICE did not provide us with FinCEN CTR identification numbers for these systems. For that reason, these numbers are presented separately.

Officials from the Department of Homeland Security said one reason most CTRs are not accessed could be because CTRs largely reflect lawful activity, making them less relevant to law enforcement than SARs, which focus on suspicious activity. According to Department of Homeland Security officials, CTRs typically are used to support SAR information and may not be useful unless they contain information related to a SAR. In addition, officials from one law enforcement agency told us that an absence of CTR filings can provide useful information about the sufficiency of a financial institution's anti-money laundering program, making even search results with no matches useful to investigators.

Characteristics of CTRs Accessed by Law Enforcement We compared the characteristics of CTRs that were accessed by law enforcement personnel in fiscal year 2023 to those that were not accessed.⁹² We identified the following trends:

 Newer CTRs were accessed more frequently. Law enforcement personnel accessed more recent CTRs more frequently than older ones. For example, during fiscal year 2023, they accessed roughly four times as many 2022 filings as 2014 filings (see fig. 9).⁹³ Despite this, law enforcement personnel continue to access older CTRs, particularly on internal systems.

⁹²Analyses in this section use the combined data on CTRs filed in fiscal years 2014–2023 and accessed by law enforcement agencies in fiscal year 2023 through BSA Portal or agency internal systems. In app. IV, we also present analyses of CTRs accessed by law enforcement over all 10 years through BSA Portal. Most agency internal systems did not have access data available for all 10 years.

⁹³There were about 15.4 million CTRs filed in fiscal year 2014 and about 20.9 million filed in fiscal year 2023. Our analysis of CTRs accessed by filing date does not include CTRs accessed on FBI's internal system because FBI was not able to provide complete information on filing years for older CTRs.

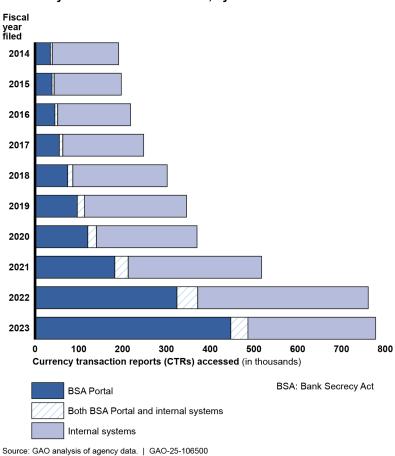


Figure 9: Number of CTRs Accessed by Law Enforcement on BSA Portal or Agency Internal Systems in Fiscal Year 2023, by Fiscal Year Filed

Notes: Includes CTRs accessed through BSA Portal and CTRs accessed on the internal systems of IRS Criminal Investigation, U.S. Customs and Border Protection, the Organized Crime and Drug Enforcement Task Forces, and U.S. Immigration and Customs Enforcement. Systems differ in how they display CTR information and record CTR access. This analysis does not include CTRs accessed on the Federal Bureau of Investigation's (FBI) internal system because FBI was not able to provide complete information on filing years for older CTRs.

CTRs with multiple parties were accessed more frequently. CTRs with multiple parties, such as the transaction's conductor and beneficiaries, were more likely to be accessed by law enforcement (see table 5). This is because CTRs are used as a searchable database for investigation subjects and other persons of interest. However, some law enforcement agency officials told us that CTRs with high numbers of parties are difficult to interpret and likely to generate "false positive" search results.

Table 5: Currency Transaction Report (CTR) Filings, Fiscal Years 2014–2023, and Proportion Accessed in Fiscal Year 2023, by Number of Parties

	Number of CTRs filed, fiscal years 2014–2023	Number of CTRs accessed by law enforcement agencies in fiscal year 2023 (proportion)
All CTRs	167,525,214	3,929,286 (2.3%)
Missing/zero parties	92,301	2,290 (2.5%)
One to five parties	164,313,175	3,755,208 (2.3%)
Six to 50 parties	3,039,961	130,005 (4.3%)
More than 50 parties	79,777	41,783 (52.4%)

Notes: Includes CTRs accessed through BSA Portal and CTRs accessed on the internal systems of IRS Criminal Investigation, U.S. Customs and Border Protection, the Organized Crime and Drug Enforcement Task Forces, and U.S. Immigration and Customs Enforcement. Systems differ in how they display CTR information and record CTR access. This analysis does not include CTRs accessed on the Federal Bureau of Investigation's (FBI) internal system because FBI did not provide information on the number of parties.

• Money services business CTRs were accessed at a higher rate than those of other financial institutions. Depository institutions filed the majority (86 percent) of CTRs in fiscal years 2019–2023, followed by casinos (about 9 percent), and money services businesses (about 3 percent). 94 However, money services business and casino CTRs were accessed at a higher rate than CTRs filed by other types of financial institutions, as of fiscal year 2023 (see table 6). Nearly 10 percent of CTRs filed by money services businesses were accessed that year, compared to less than 3 percent of CTRs filed by depository institutions. According to IRS-CI officials, CTRs from money services businesses are particularly useful for investigating tax fraud.

⁹⁴We used the filer type field reported on Part IV of the CTR form, which was added to the form in 2017. Because 2019 was the first full fiscal year in which nearly all CTRs reported filer type on Part IV, our analyses that included filer type only used data from fiscal years 2019–2023. See app. I for details.

Table 6: Currency Transaction Report (CTR) Filings, Fiscal Years 2019–2023, and Proportion Accessed in Fiscal Year 2023, by Filer Type

	Number of CTRs filed in fiscal years 2019–2023	Number accessed by law enforcement agencies in fiscal year 2023, excluding FBI (proportion)	Number accessed by Federal Bureau of Investigation (FBI) in fiscal year 2023 (proportion) ^a
All CTRs	90,403,652	2,772,949 (3.1%)	193,001 (0.2%)
Money services business	2,967,403	291,178 (9.8%)	8,596 (0.3%)
Casino	8,277,569	355,905 (4.3%)	23,884 (0.3%)
Depository institution	77,789,487	2,073,259 (2.7%)	157,578 (0.2%)
Other	1,361,142	52,530 (3.9%)	2,943 (0.2%)
Missing/unknown	8,051	77 (1.0%)	0 (0.0%)

Notes: Includes CTRs accessed through BSA Portal and CTRs accessed on the internal systems of IRS Criminal Investigation, U.S. Customs and Border Protection, the Organized Crime and Drug Enforcement Task Forces, U.S. Immigration and Customs Enforcement, and the Federal Bureau of Investigation (FBI). Systems differ in how they display CTR information and record CTR access. The other category includes CTRs filed by securities and futures filers as well as filers that selected the 'other' filer type option.

^aWe were not able to determine the extent to which CTRs accessed by FBI overlap with CTRs accessed by other law enforcement agencies because FBI did not provide us with FinCEN CTR identification numbers.

Access rates differ by party industry. CTRs request that filers report a party's occupation or type of business and assign a related NAICS code.⁹⁵ But occupation/business type and NAICS code are noncritical fields and fewer than half of CTRs report at least one NAICS code. The top reported industries were grocery or convenience stores, restaurants or bars, and gas stations, but CTRs with parties in these industries were accessed at lower rates than others in fiscal year 2023 (see table 7).⁹⁶

⁹⁵We represent industry in this analysis by NAICS code at the three-digit level. CTRs allow filers to report NAICS codes at up to the six-digit level.

⁹⁶The respective NAICS codes are 445 (food and beverage retailers), 722 (food services and drinking places), and 447 (gasoline stations).

Table 7: Currency Transaction Report (CTR) Filings, Fiscal Years 2014–2023, and Proportion Accessed in Fiscal Year 2023, by Selected Industry

	Number of CTRs filed in fiscal years 2014–2023 ^a	Number accessed by law enforcement agencies in fiscal year 2023 (proportion)
All CTRs	167,525,214	3,929,286 (2.3%)
Missing/unknown ^b	105,078,134	2,517,405 (2.4%)
Food and beverage retailers	8,702,093	154,144 (1.8%)
2. Food services and drinking places	8,513,308	132,395 (1.6%)
3. Gasoline stations	7,504,655	109,186 (1.5%)
Administrative and support services	5,297,020	120,337 (2.3%)
5. Motor vehicle and parts dealers	4,484,701	105,452 (2.4%)
6. Credit intermediation and related activities	4,383,286	128,048 (2.9%)
7. Couriers and messengers	3,795,634	72,940 (1.9%)
8. Merchant wholesalers, durable goods	2,293,877	74,319 (3.2%)
9. Merchant wholesalers, nondurable goods	2,202,856	60,853 (2.8%)
10. Miscellaneous store retailers	1,787,116	47,569 (2.7%)
All others	23,732,101	706,998 (3.0%)

Notes: Includes CTRs accessed through BSA Portal and CTRs accessed on the internal systems of IRS Criminal Investigation, U.S. Customs and Border Protection, the Organized Crime and Drug Enforcement Task Forces, and U.S. Immigration and Customs Enforcement. Systems differ in how they display CTR information and record CTR access. Industries are based on three-digit North American Industry Classification System (NAICS) codes. This analysis does not include CTRs accessed on FBI's internal system because FBI did not provide information on NAICS codes.

^aThe sum of CTRs by industry is higher than the total number of CTRs filed because a single CTR may report on parties in more than one industry. A CTR is counted for each industry reported, but multiple parties in the same industry are counted only once.

^bNAICS code is a noncritical (nonrequired) field and CTRs may be filed without reporting a NAICS code for any party. Filers are expected to complete noncritical fields if they have direct knowledge of the information.

As discussed earlier, the BSA called for CTRs to be highly useful for law enforcement purposes. AMLA required Treasury to review CTR requirements and reporting thresholds to reduce unnecessary burdens on filers while maintaining usefulness for law enforcement. Our analysis shows that most CTRs are never accessed by law enforcement, suggesting room for optimization. FinCEN does not use access data to measure CTR usefulness or evaluate CTR requirements and instead relies on user surveys and other measures of value, according to FinCEN officials. By reducing less relevant CTR filings, FinCEN could reduce the burden on financial institutions while preserving valuable CTRs.

Additionally, our analysis identified characteristics of those CTRs that are most commonly accessed. In its efforts to reduce CTR filings, leveraging such data could assist FinCEN in targeting reductions of less useful CTRs.

Changing the CTR Threshold Involves Balancing Law Enforcement Needs Against Filers' Compliance Burden

CTR Filings Have Increased as Reporting Threshold Has Remained at 1972 Level The CTR reporting threshold that Treasury established in 1972 has not been adjusted for inflation, possibly contributing to an increase in CTR filings. ⁹⁷ CTR filings rose by about 62 percent between fiscal year 2002 and fiscal year 2023, from 12.9 million to 20.9 million. AMLA required Treasury to review the CTR threshold, taking into account factors such as the cost to financial institutions and whether CTR thresholds should be tied to inflation or otherwise be adjusted based on other factors consistent with the purposes of the BSA, including the BSA's objective of providing highly useful information to law enforcement.

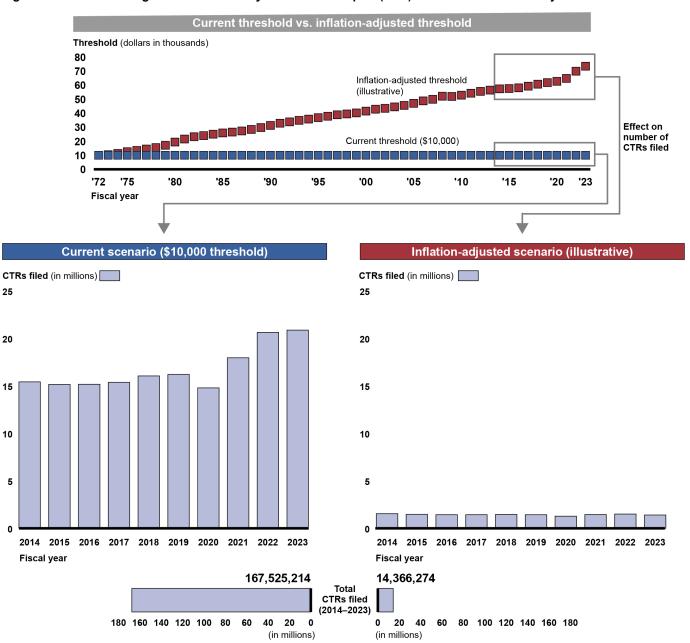
As inflation has increased nominal (unadjusted) prices of goods and services, the number of cash transactions made with financial institutions exceeding the fixed \$10,000 CTR threshold would have likely increased as a result, holding other factors constant. The \$10,000 threshold that was set in 1972 is equivalent to about \$72,880 in 2023 dollars. ⁹⁸ An inflation-adjusted threshold would have reduced the number of CTRs filed

⁹⁷FinCEN officials told us the rationale for setting the threshold at \$10,000 was not recorded and that it is unclear whether any formal analysis was conducted to support it. The officials said that the threshold may be related to 1945 rules created by Treasury. In implementing section 5(b) of the Trading with the Enemy Act, Treasury required monthly reporting for transactions over \$10,000 made in any currency denomination, except when the financial institution determined the transaction to be legitimate. The Federal Register notice does not provide any analysis or explanation of the basis for determining the Trading with the Enemy Act threshold reporting requirements. Trading with the Enemy Act, Pub. L. 65-91, §5(b), 40 Stat. 411, 415 (1917) (codified as amended at 50 U.S.C. § 4305), and 10 Fed. Reg. 6547, 6556 (June 5, 1945).

⁹⁸In this example and throughout this report, we use calendar year inflation from the Bureau of Labor Statistics' Consumer Price Index, unless specified otherwise.

by at least 90 percent in each fiscal year since 2014, with the percentage reduction increasing slightly each year (see fig. 10).

Figure 10: Effect on Filing Volume If Currency Transaction Report (CTR) Threshold Had Been Adjusted for Inflation



Source: GAO analysis of Financial Crimes Enforcement Network and Bureau of Labor Statistics data. | GAO-25-106500

Notes: We use fiscal year 2014–2023 data because comparable data were unavailable prior to fiscal year 2014. We use the fiscal year Consumer Price Index for All Urban Consumers provided by the Bureau of Labor Statistics to calculate the inflation-adjusted thresholds for each fiscal year. Between fiscal years 2014 and 2023, the inflation-adjusted threshold increased from \$57,348 to \$73,445. This figure portrays the inflation-adjusted threshold in fiscal year rather than calendar year inflation to align with FinCEN's fiscal year CTR data.

Factors other than inflation may also have affected the number of CTRs filed. Changes in consumer behavior, such as a further shift from cash to credit card payments during the COVID-19 pandemic, may have reduced CTR filings in fiscal year 2020.99 CTR rule changes, such as those related to exemptions, may have decreased filings in 2009, according to a 2010 FinCEN study.100 In addition, automation technology has increased the number of CTRs filed, particularly for aggregated CTRs, according to three bank and credit union representatives. All software vendors we interviewed said automated systems are more effective and efficient than human tellers at detecting and aggregating transactions over \$10,000.

Small Changes in the CTR Threshold Might Significantly Affect Compliance Burden

FinCEN conducted research on reducing CTRs that are not useful to law enforcement in 2004 through the BSA Advisory Group, which consisted of representatives from federal agencies, financial institutions, and other stakeholders. ¹⁰¹ This study included the evaluation of a possible recommendation to increase the CTR reporting threshold. ¹⁰² In 2019, FinCEN solicited input on this issue from users of BSA reports during an assessment of the benefits of BSA reporting. Neither effort resulted in changes to the threshold.

Potential Effects of Change to CTR Threshold

Relatively small changes to the CTR threshold would significantly change the number of CTRs filed. Based on our analysis of fiscal year 2023 CTR data, a threshold of \$20,000 would have reduced CTR filings by 65 percent (see fig. 11).

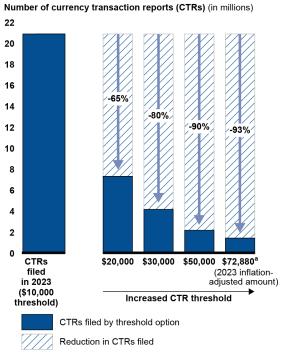
⁹⁹This shift to credit cards was reported in Federal Reserve, Federal Reserve Financial Services, *2023 Findings from the Diary of Consumer Payment Choice*, (Atlanta, GA: May 5, 2023).

¹⁰⁰Financial Crimes Enforcement Network, *Designation of Exempt Person (DOEP)* & Currency Transaction Reporting (CTR): Assessing the Impact of Amendments to the CTR Exemption Rules Implemented on January 5, 2009, (Vienna, VA: July 12, 2010).

¹⁰¹For example, the group's Subcommittee on CTRs considered options such as increasing the CTR reporting threshold to \$20,000.

¹⁰²For example, the group's Subcommittee on CTRs considered options such as increasing the CTR reporting threshold to \$20,000.

Figure 11: The Number of CTRs Filed in Fiscal Year 2023 Would Have Been Significantly Lower If the Reporting Threshold Had Been Raised



Source: GAO analysis of Financial Crimes Enforcement Network data. | GAO-25-106500

^aInflation-adjusted amount calculated using Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers for calendar year 2023.

Most bank and credit union representatives we interviewed stated that increasing the CTR threshold would decrease their compliance burden. A relatively modest increase of \$5,000 to \$20,000 could significantly reduce compliance costs, most bank and credit union representatives said. 103 Conversely, reducing the threshold could significantly increase compliance costs, according to many bank and credit union representatives we interviewed.

Small threshold changes could significantly affect staff costs due to incremental workload such as manual staff review for each CTR filed.

¹⁰³In 2020, GAO reviewed a nongeneralizable sample of 11 banks and estimated that their total direct costs for complying with the BSA ranged from about \$14,000 to about \$21 million in 2018. See GAO, *Anti-Money Laundering: Opportunities Exist to Increase Law Enforcement Use of Bank Secrecy Act Reports, and Banks' Costs to Comply with the Act Varied*, GAO-20-574 (Washington, D.C.: Sept. 22, 2020).

Although automated systems are used, manual tasks like data entry, follow-up, and review are still necessary, according to financial institution representatives. These tasks, including pre-filing reviews, research, and collection of customer information, are the most burdensome aspects of CTR compliance, according to bank and credit union representatives.

Even if most CTRs require no staff intervention, significant resources are still devoted to manual review, according to two large bank representatives. Casinos in particular spend significant time manually collecting information from non-member players, sometimes relying on manual surveillance to aggregate transactions and collect identifying information, according to gaming industry representatives. Reviewing and aggregating 1 day's worth of CTRs usually takes 7 to 12 hours and can take up to 2 days during peak gaming periods, they said.

FinCEN Time and Cost Estimates

Many financial institution representatives we interviewed disputed FinCEN's time and cost estimates for filing a CTR, saying that they were too low. In its 2020 regulatory filing to renew CTR requirements, FinCEN estimated a CTR takes about 8 minutes to file, in addition to the total annual cost burden for filing CTRs. Based on FinCEN's total annual cost burden estimate, we calculated that a CTR costs filers about \$3.40 on average. 104 While three bank and credit union representatives said these were reasonable estimates, others provided significantly higher cost estimates, ranging from \$10 to \$81 per CTR.

Many representatives told us that FinCEN's estimate did not account for manual review and quality control processes, which they said add considerable time and cost. Bank and credit union representatives explained that CTR filing involves multiple staff levels, such as tellers to complete the CTR fields and middle managers and compliance specialists to review them. One bank representative said that the branch manager review alone can take about 45 minutes. Another bank

¹⁰⁴FinCEN's 2020 Paperwork Reduction Act renewal of CTR requirements analyzed 2019 CTR filing data to estimate that CTR requirements impose a total annual cost burden of \$54.7 million. Roughly 16 million CTRs were filed in 2019, so based on FinCEN's cost estimates, we calculated that compliance costs were roughly \$3.40 per CTR on average. FinCEN's analysis recognized large differences in per-CTR burden between fully automated batch filers and other filers. On February 5, 2024, FinCEN issued an updated Paperwork Reduction Act estimate based on the 2020 Paperwork Reduction Act estimate. Based on the 2024 update, we calculated the average cost to file a CTR would be about \$3.70.

representative noted the bank hires an outside consulting firm for CTR reviews, further increasing costs.

Industry Recommendations for CTR Threshold and Alternatives

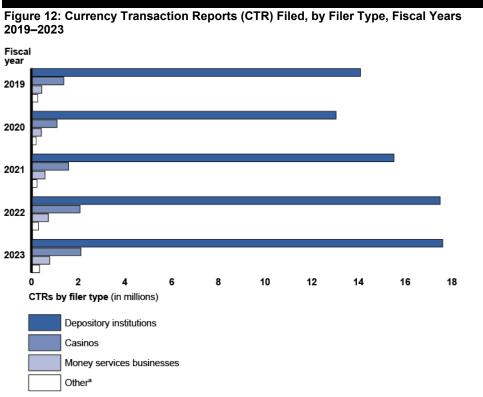
Many financial institution representatives we interviewed generally recommended increasing the CTR threshold. Six of the 13 banks and credit unions we interviewed suggested minimum threshold amounts between \$15,000 and \$30,000, while two suggested thresholds of \$100,000 or more. Three representatives deferred to law enforcement agencies and regulators, and two did not provide an answer. Most other financial institutions recommended setting the CTR threshold at the inflation-adjusted amount (about \$73,000) or at an amount between \$20,000 and the inflation adjusted amount.

When asked about which potential alternatives to current CTR requirements would reduce compliance burden the most, seven of the 13 bank and credit union representatives preferred fully replacing CTRs with SARs (which report suspicious transactions). Six preferred reporting all cash transactions directly to FinCEN without a report. Other alternatives identified as potentially the most beneficial included removing aggregation requirements, streamlining the CTR form, and easing exemptions requirements.

A change in the CTR threshold may also reduce BSA compliance costs related to structuring SARs. Financial institutions are required to file SARs when they believe customers are attempting to break up transactions to remain under the threshold, as discussed earlier. FinCEN reported over 500,000 structuring SARs in 2023 related to transactions below the threshold. Increasing the CTR threshold might reduce the number of structuring SARs, thereby reducing the overall BSA compliance burden.

Threshold Changes Could Affect Certain Filers More Than Others

In fiscal year 2023, depository institutions filed about 84 percent of CTRs, followed by casinos at about 10 percent and money services businesses at about 4 percent (see fig. 12). The top three individual filers, all large banks, accounted for nearly 30 percent of annual filings in each of the fiscal years 2022 and 2023.

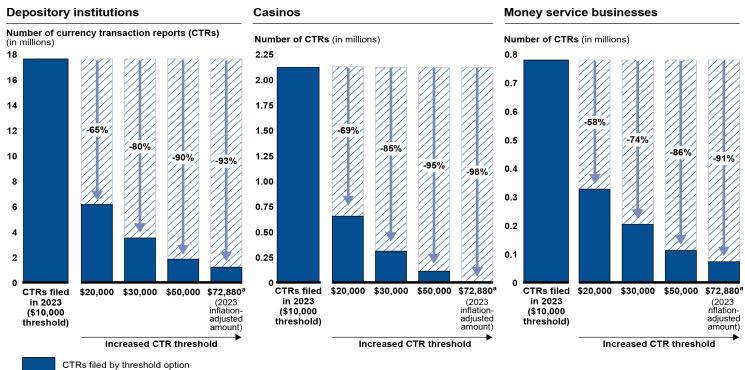


Source: GAO analysis of Financial Crimes Enforcement Network data. | GAO-25-106500

Because CTR compliance costs are tied to filing volume, changes to the threshold would affect filer types differently. Entities that file a high proportion of their CTRs close to the current threshold would see the greatest percentage reductions in filings, with casinos seeing the highest percentage reductions (see fig. 13).

^aThis category includes CTRs filed by all other filer types (such as securities broker-dealers), CTRs with missing filer types, and CTRs for which filers selected "other," such as bank holding companies.

Figure 13: Effect a Hypothetical Increase in CTR Threshold Would Have Had on Different Filer Types in Fiscal Year 2023



Source: GAO analysis of Financial Crimes Enforcement Network data. | GAO-25-106500

^aInflation-adjusted amount calculated using Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers for calendar year 2023.

Most Law Enforcement Agencies Support Maintaining the Current CTR Threshold

Reduction in CTRs filed

Most federal, state, and local law enforcement agencies we surveyed supported maintaining the \$10,000 threshold. An estimated 76 percent of law enforcement agencies thought that increasing the threshold would negatively affect their ability to fight crime. ¹⁰⁵ In interviews, some agencies expressed similar concerns. For example, Homeland Security Investigations officials said a higher threshold could hinder money

¹⁰⁵The Financial Action Task Force develops and promotes policy recommendations that are recognized as international anti-money laundering standards. It recommends that countries consider establishing a large currency transaction reporting system as part of establishing a financial intelligence unit. However, the Financial Action Task Force does not specify a threshold at which it should be reported. See Financial Action Task Force (2012–2022), International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation (Paris, France: Mar. 4, 2022).

laundering investigations by making it harder to prove a suspect's knowledge of the threshold. Officials from IRS-CI told us that a higher threshold would have a negative effect on its investigations and reduce the number of leads the agency reviews for investigative potential.

Federal, state, and local law enforcement, BSA compliance consultants, and think tanks we interviewed had mixed opinions on whether lowering the CTR threshold would be beneficial. One out of the 11 federal law enforcement agencies and one out of seven of the BSA compliance consultants and think tanks we interviewed advocated lowering the CTR threshold. In our survey, an estimated 52 percent of law enforcement agencies thought a lower threshold would benefit their agency, and an estimated 67 percent of those identifying an optimal threshold level selected an amount lower than \$10,000.

However, some agencies noted drawbacks to a lower threshold, including unnecessary burden or irrelevant data. For example, officials from the Executive Office for United States Attorneys noted that U.S. Attorneys primarily focus on CTRs with high dollar values, making a threshold change less relevant to their investigations State and local law enforcement agencies we interviewed had mixed opinions on whether the threshold should be lowered.

Analysis of CTR access data indicates law enforcement agencies accessed a larger share of CTRs with higher dollar values than those with lower dollar values. In fiscal year 2023, agencies accessed just over 3.4 percent of CTRs filed from fiscal years 2014 through 2023 with dollar values over \$50,000 and about 2.2 percent of CTRs with values under \$50,000 in BSA Portal or agencies' internal systems (see fig. 14). 106 However, agencies still accessed more CTRs with values of \$20,000 or less than those with higher dollar values due to the large number filed, despite viewing a smaller share of CTRs with values of \$20,000 or less.

¹⁰⁶We did not include CTRs accessed on the internal system of the FBI because we were not able to determine the extent to which CTRs accessed by FBI overlap with CTRs accessed by other law enforcement agencies because FBI did not provide us with FinCEN CTR identification numbers.

Dollar range for CTRs >\$10,000 to \$20,000 >\$20,000 to \$30,000 >\$30,000 to \$50,000 >\$50.000 to \$72.880 More than \$72,880 0.5 1.5 2.0 2.5 3.0 3.5 4.0 1.0 Percentage accessed **BSA Portal** Both BSA Portal and internal systems Internal systems

Figure 14: Proportion of CTRs Filed in Fiscal Years 2014–2023 That Were Accessed by Law Enforcement in Fiscal Year 2023, by CTR Dollar Range

Source: GAO analysis of data from Financial Crimes Enforcement Network's (FinCEN) Bank Secrecy Act (BSA) Portal and agencies' internal systems. | GAO-25-106500

Note: Access was through BSA Portal or agencies' internal systems, which included those of U.S. Immigration and Customs Enforcement, IRS Criminal Investigation, U.S. Customs and Border Protection, and Organized Crime and Drug Enforcement Task Forces. We did not include CTRs accessed on the internal system of the Federal Bureau of Investigation (FBI) because we were not able to determine the extent to which CTRs accessed by FBI overlap with CTRs accessed by other law enforcement agencies because FBI did not provide us with FinCEN CTR identification numbers.

CTR Collection of Personal Information Has Led to Privacy Considerations

Most bank and credit union representatives told us that collecting personal information for CTRs can raise privacy considerations. Several noted that some parties may be reluctant to provide information needed for the CTR form, especially if they are not customers of the bank. This can include scenarios where an employee conducts a transaction on behalf of a business. Such individuals sometimes refuse to provide their information or leave without providing it, according to the representatives. Some financial institution representatives noted that CTR filing requirements can upset their customers.

Many bank and credit union representatives we interviewed said some customers that appear uncomfortable providing personal information will cancel a large transaction or break it up into smaller transactions to avoid triggering a CTR. This behavior may be considered structuring activity, a federal crime, and requires the institution to file a suspicious activity report with personal information and a narrative on the suspicious behavior.

Additionally, CTR aggregation requirements can lead to an increase in the amount of personal information reported through CTRs. Three bank representatives told us they collect personal information from conductors for cash transactions well below the \$10,000 threshold in case aggregated transactions exceed the threshold and a CTR needs to be filed. This means that conductors for some cash-intensive businesses may have their personal information collected frequently.

Most think tank and privacy group representatives we interviewed generally opposed the collection of personal information for CTR reporting and most supported raising the CTR threshold. They expressed concerns about collecting personal information for legitimate transactions, the security of the information collected, and the effects of such collection on financial inclusion. Two representatives said that CTRs are not indicative of suspicious behavior and collecting information for legitimate transactions could lead to a vast database used for surveillance. One representative noted that reporting on legal transactions can negatively affect individuals' ability to freely purchase sensitive or personal items. 107

Further, representatives from two think tank and privacy groups noted that some people may avoid traditional financial institutions due to privacy concerns. One of these representatives also noted that CTR reporting requirements create a disadvantage for communities that rely on cash, such as undocumented or low-income individuals. This is consistent with a 2021 Federal Deposit Insurance Corporation (FDIC) survey, which

¹⁰⁷In *United States v. Miller*, the Supreme Court held that individuals do not have a reasonable expectation of privacy under the Fourth Amendment in their financial records maintained by a bank. This case established that the Fourth Amendment does not prohibit the obtaining of information revealed to a third party and conveyed to government authorities, even if the information is revealed on the assumption that it will be used only for a limited purpose and that the confidence placed in the third party will not be betrayed. See *United States v. Miller*, 425 U.S. 435 (1976).

found that avoiding banks to have more privacy was the third-most cited reason by unbanked individuals for not having a bank account. 108

Conclusions

CTRs play an important role in helping law enforcement combat money laundering, terrorism financing, and other financial crimes. However, opportunities exist to reduce unnecessary burden on filers while maintaining the usefulness of CTRs for law enforcement:

- Streamlining CTR fields. Evidence indicates that certain noncritical
 fields on CTRs were burdensome for filers to complete and not highly
 useful for law enforcement. Identifying and eliminating such fields
 could reduce unnecessary filer burden while still providing highly
 useful information to law enforcement.
- Clarifying aggregation requirements. Many financial institutions identified challenges complying with aggregation requirements, and their interpretations of these requirements was inconsistent. Simplifying and clarifying these requirements could make CTR compliance easier and less burdensome.
- Establishing CTR-specific performance management. FinCEN has some performance goals and measures for BSA reports overall, but none that are specific to CTRs. Establishing a CTR-specific performance management process, including related goals and measures, would enable FinCEN to better assess the effectiveness of CTRs in achieving statutory objectives and identify areas for enhancement.
- Optimizing the number of CTRs required. CTR filings have increased substantially over the years, in part because the reporting threshold has never been adjusted for inflation and eligibility for exemptions is limited. Yet law enforcement agencies access relatively few CTRs. By taking steps to reduce the number of unused CTRs, such as by raising the reporting threshold or expanding exemptions, FinCEN has opportunities to reduce reporting burdens without compromising the value of CTRs to law enforcement. An analysis of existing data on the characteristics of CTRs rarely accessed by law enforcement would help inform such an effort.

¹⁰⁸Federal Deposit Insurance Corporation, *2021 FDIC National Survey of Unbanked and Underbanked Households*, (Washington, D.C.: Oct. 2022).

Recommendations for Executive Action

We are making a total of four recommendations to Treasury:

The Secretary of the Treasury should ensure that the Director of FinCEN takes steps to eliminate CTR data fields that are unnecessarily burdensome for filers and of little use to law enforcement. This could be done as part of FinCEN's AMLA review or through a different method. (Recommendation 1)

The Secretary of the Treasury should ensure that the Director of FinCEN takes steps to simplify and clarify aggregation requirements. This could be done as part of FinCEN's AMLA review or through a different method. (Recommendation 2)

The Secretary of the Treasury should ensure that the Director of FinCEN establishes a performance management process that defines performance goals and measures for monitoring the usefulness of CTRs. (Recommendation 3)

The Secretary of the Treasury should ensure that the Director of FinCEN takes steps to reduce the number of CTRs filed that are not used by law enforcement, such as by raising the reporting threshold or expanding criteria to allow for further exemptions. These actions should be informed by an analysis of the characteristics of CTRs that have been less likely to be accessed by law enforcement. (Recommendation 4)

Agency Comments and Our Evaluation

We provided a draft of this report to Treasury (including FinCEN), CFTC, the National Credit Union Administration, the Department of Homeland Security, the Department of the Interior, DOJ, the Federal Reserve, FDIC, IRS, the Office of the Comptroller of the Currency, and SEC for their review and comment.

In its written comments, reproduced in appendix V, FinCEN concurred with our four recommendations and stated it would address them as part of its required AMLA reviews. The National Credit Union Administration provided a letter acknowledging our observations, which is reproduced in appendix VI. The Department of Homeland Security, DOJ, FDIC, FinCEN, and the Office of the Comptroller of the Currency provided technical comments on the draft report, which we incorporated as appropriate. CFTC, the Department of the Interior, Federal Reserve, and SEC did not have any comments.

IRS-Cl's audit liaison provided comments via email. The comments included a technical comment, which we incorporated as appropriate. In

addition, IRS-CI stated that while it agreed with some aspects of the report, it had concerns that the report does not accurately convey the value of CTRs at the current threshold. The agency suggested we better quantify "filer burden," including with data on the time required for a CTR filing and the proportion of financial institutions finding it burdensome. However, our report already includes data from FinCEN's 2020 Paperwork Reduction Act review on the estimated time frame for filing a CTR and overall annual CTR cost burden and further analyzes these data to determine a per-filing cost.

IRS-Cl's comments also stated that our report could better reflect the multiple ways law enforcement may access CTRs, such as through agencies' internal systems. As discussed in the report, our analyses captured the multiple ways law enforcement accessed CTRs, including through internal systems, and we present that information in the report. In response to IRS-Cl's comments, we added some of that information to the report's highlights page. In addition, our analysis of CTRs accessed by law enforcement included indirect searches, such as those made through task forces. Further, appendixes III and IV provide detailed information, including on which law enforcement agencies accessed CTRs, how often, at what transaction values, and for what purposes.

IRS-CI disagreed with the report's suggestion that raising the reporting threshold could be done without compromising the value of CTRs to law enforcement. The agency noted it supports maintaining the current threshold, based on its analysis of usage, and that raising it would have a serious negative impact on the agency's mission capability. In response, we added additional information on IRS-CI's position. In addition, our report acknowledges the value of CTRs that are actually used and presents survey findings that most law enforcement agencies believe increasing the threshold would negatively affect their crime-fighting ability.

Further, our report's fourth recommendation calls on FinCEN to reduce the number of CTRs filed that are not used by law enforcement, with raising the reporting threshold as just one possible avenue. As we note in the recommendation, any actions taken should be informed by an analysis of the characteristics of CTRs less likely to be accessed, which are of less value to law enforcement.

We are sending copies of this report to the appropriate congressional committees, the Secretary of the Treasury, the Attorney General, the Secretary of the Interior, the Secretary of Homeland Security, the Commissioner of the IRS, the Chairman of CFTC, the Chairman of FDIC,

the Chairman of the Federal Reserve, the Chairman of the National Credit Union Administration, the Acting Comptroller of the Currency, the Chair of SEC, and other interested parties. This report will also be available at no charge on our website at http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-8678 or ClementsM@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix VII.

Michael E. Clements

Director, Financial Markets and Community Investment

Michael Clements

Appendix I: Objectives, Scope, and Methodology

This report examines (1) how currency transaction report (CTR) requirements have changed since they were established, and the extent to which these requirements align with statutory objectives; (2) the extent to which CTRs provide useful information to law enforcement; and (3) the potential effects of changing the CTR threshold. The scope of our review was use of CTRs by law enforcement agencies and not other entities, including intelligence agencies.

Review of CTR Requirements and Alignment with Statutory Objectives

For our first objective, we reviewed relevant laws, including the Currency and Foreign Transactions Reporting Act of 1970 (also known as the Bank Secrecy Act, or BSA), Money Laundering Suppression Act of 1994, and the Anti-Money Laundering Act of 2020 (AMLA). We also reviewed FinCEN's regulations implementing these statutes. In addition, we reviewed CTR-related guidance and administrative rulings, and documentation from the Financial Crimes Enforcement Network (FinCEN), such as past and current CTR forms, filing instructions, and user guides to identify changes to CTR requirements.

Through our review of the relevant laws, we identified the statutory objectives of CTRs, including the key objective of providing highly useful information to law enforcement. We compared FinCEN's CTR requirements, guidance, and administrative rulings against the statutory objectives to determine the extent to which they align. We also assessed the steps FinCEN has taken to comply with AMLA requirements related to CTRs. Finally, we assessed the extent to which FinCEN used performance measurement key practices identified in our prior work, such as defining performance goals that cover all programs and activities. We also assessed the extent to which FinCEN used the performance management process to implement CTR-related statutory objectives.

Survey on Law Enforcement Agencies' Use of CTRs

To collect information on how law enforcement agencies use CTRs and the extent to which CTRs provide important information for their work, we administered a web survey. The survey was administered between November 1, 2023, and January 31, 2024, to a population of all 327 law

¹See, for example, GAO, *Evidence-Based Policymaking: Practices to Help Manage and Assess the Results of Federal Efforts*, GAO-23-105460 (Washington, D.C.: July 2023); *The Results Act: An Evaluator's Guide to Assessing Agency Annual Performance Plans*, GAO/GGD-10-1.20 (Washington, D.C.: Apr. 1, 1998); and *Executive Guide: Effectively Implementing the Government Performance and Results Act*, GAO/GGD-96-118 (Washington, D.C.: June 1, 1996).

enforcement agencies with access to CTRs.² Survey questions included those related to

- perspectives on CTR usefulness,
- perspectives on specific CTR fields,
- preferences on potential changes to the CTR threshold, and
- frequency of use of CTRs.

To develop the survey, we reviewed FinCEN documentation and prior GAO work on CTR requirements, as well as prior GAO work on law enforcement use of BSA reports.³ We pretested our survey on a judgmental sample of four agencies. In selecting those agencies, we included one federal, one state, and two local agencies with access to BSA reports. We additionally selected at least one agency each that (1) used Agency Integrated Access in addition to BSA Portal, (2) served as a state coordinator, (3) worked as a prosecutorial agency, and (4) was a heavy, midsize, and light user of BSA reports. Finally, the four agencies were not from the same regions of the U.S. We selected a number of alternate agencies after some selected agencies did not respond or declined to participate in the pretest.

All law enforcement agencies included in the survey population had an active memorandum of understanding with FinCEN to access CTRs as of June 30, 2023. The survey population included Offices of Inspectors General, tax fraud investigators, and agencies with criminal tax investigations. We excluded intelligence agencies that have access to CTRs.

To encourage participation in the survey, we sent law enforcement agencies notices that they would receive the survey, and we conducted follow-up. Follow-up included calling agencies to remind them about the

²We distributed surveys directly to law enforcement agencies' point of contact for accessing Bank Secrecy Act (BSA) data, except for the Department of Justice (DOJ). For DOJ, we coordinated the distribution of the web survey through the DOJ liaisons rather than directly through the BSA access liaison.

³GAO, Bank Secrecy Act: Action Needed to Improve DOJ Statistics on Use of Reports on Suspicious Financial Transactions, GAO-22-105242 (Washington, D.C.: Aug. 25, 2022); Anti-Money Laundering: Opportunities Exist to Increase Law Enforcement Use of Bank Secrecy Act Reports, and Banks' Costs to Comply with the Act Varied, GAO-20-574 (Washington, D.C.: Sept. 22, 2020); and Bank Secrecy Act: Increased Use of Exemption Provisions Could Reduce Currency Transaction Reporting While Maintaining Usefulness to Law Enforcement Efforts, GAO-08-355 (Washington, D.C.: Feb. 21, 2008).

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survey, ensuring they received the survey link, and answering any questions they had about accessing the survey.

We received 197 responses out of a total population of 327 law enforcement agencies, for a 60 percent response rate. We used logistic regression models on our survey data to look for correlation with the propensity to respond among agency administrative levels (federal, state, and local). We detected response bias among federal agencies and found that state and local agencies were about 62 percent more likely to respond to the survey than federal agencies, with an odds ratio of 1.62, statistically significant at the 95 percent confidence level. We adjusted sample weights to ensure that estimates are generalizable to the population of law enforcement agencies with direct access to BSA reports, as well as to reflect the response bias identified. We express our confidence in the precision of our sample's results at a 95 percent confidence interval.

We analyzed the survey results in aggregate and by subgroups (for example, federal, state, and local levels), when applicable. We do not report any results by subgroup or response category that contained fewer than 20 responses to protect respondent confidentiality and ensure statistical precision.

Analysis of Data on CTR Filings and Characteristics

For our second objective, we obtained and analyzed data from FinCEN on the number and characteristics of CTRs filed in fiscal years 2014–2023 and law enforcement access to those CTRs through FinCEN's BSA Portal for fiscal years 2014–2023. Specifically, we obtained data from FinCEN's BSA database, as of September 2023, with additional updates provided through April 2024, on all CTRs filed in the 10-year period. These data included the BSA ID number and CTR fields such as filing financial institution type, transaction dollar values, and number and industry of parties on the CTR.

We analyzed the CTR data to assess the composition of the CTR database over the 10-year period. We used the filer type field reported on Part IV of the CTR form, which was added to the form in 2017. Because 2019 was the first full fiscal year in which nearly all CTRs reported filer type on Part IV, our analyses that included filer type only used data from fiscal years 2019–2023. Because CTRs aggregate cash deposits and withdrawals separately, we used the greater of a CTR's cash in or cash out value to define the transaction dollar value of a CTR for the purposes of our analyses. We defined a CTR that reported on a business as any

CTR for which the entity indicator on Part I was checked for at least one party.

Analysis of CTRs Accessed by Law Enforcement on BSA Portal

To determine which CTRs were accessed by law enforcement through FinCEN's BSA Portal, we obtained data from BSA Portal as of April 2024 for CTRs filed in fiscal years 2014–2023. The BSA Portal access data included a record of each instance in which a user from a law enforcement agency viewed a CTR on-screen or downloaded a CTR in fiscal years 2014–2023. The data included information about the CTR accessed, the law enforcement agency accessing the CTR, and the date accessed. We then analyzed the characteristics of CTRs accessed by law enforcement agencies through BSA Portal, such as transaction dollar amount and filer type.

We also obtained summary data from FinCEN on law enforcement access to all CTRs through BSA Portal in fiscal years 2019–2023 (including those filed before 2014). We used the summary data to describe the extent of law enforcement access to CTRs through BSA Portal over the most recent full 5-year period. We present analyses of the BSA Portal summary access data in appendix III.

To assess the reliability of the CTR data and the BSA Portal access data, we conducted electronic and manual data testing, reviewed related documentation including CTR forms and filing guides, and interviewed knowledgeable agency officials. We determined that these data were sufficiently reliable for the purpose of describing key characteristics of CTRs, including which CTRs were accessed by law enforcement.

For purposes of these analyses, an "agency" is any law enforcement entity that has a memorandum of understanding with FinCEN for access to BSA reports through BSA Portal or Agency Integrated Access. Because each U.S. Attorney's Office negotiates a separate memorandum of understanding with FinCEN, each office that has access is counted as a federal law enforcement agency.

Analysis of CTRs Accessed by Law Enforcement on Agencies' Internal Systems To determine which CTRs were accessed by law enforcement on agency internal systems, we obtained and analyzed available data on user access to CTRs in the internal systems of five law enforcement agencies that have Agency Integrated Access agreements with FinCEN. Agency Integrated Access, formerly called bulk data access, permits agencies to download CTRs and other BSA reports in bulk from FinCEN and allows agency personnel to access BSA reports on internal systems. As of June 2024, there were six agencies within scope that had Agency Integrated

Access. One of the six—the U.S. Secret Service—was in the process of configuring its systems and investigative personnel did not yet have access to CTRs on internal systems as of December 2023, according to officials.

We obtained data on CTRs accessed in the internal systems of the other five agencies with Agency Integrated Access. We then analyzed the number and characteristics of CTRs accessed on these agencies' internal systems in fiscal year 2023, the most recent full year and the year for which we were able to obtain the most complete data. The agencies' internal systems varied in the way they record access to CTRs (see table 8). Data we obtained from the Federal Bureau of Investigation's internal system contained a different unique identifier for accessed CTRs instead of the BSA identification number used by FinCEN and other agencies. For that reason, we were unable to determine the extent to which CTRs accessed on the Federal Bureau of Investigation's internal system were also accessed on other systems.

Agency	System(s)	System event(s) recorded as CTR access
Federal Bureau of Investigation	Data Integration and Visualization System	A user views the full CTR transcript
U.S. Immigration and Customs Enforcement	Repository for Analytics in a Virtualized Environment ^a	A user views the full CTR transcript
Organized Crime and Drug Enforcement Task Forces	OCDETF Fusion Center Compass data warehouse	A user views or downloads the full CTR transcript
U.S. Customs and Border Protection	Analytical Framework for Intelligence, Automated Targeting System	A user views the full CTR transcript, or information from the CTR is displayed on a summary screen in response to a user's search ^b
IRS Criminal Investigation	Lead and Case Analytics	A user loads a page that has information from the CTR or downloads the CTR

Source: GAO presentation of information from listed agencies. | GAO-25-106500

^aAccess data were available from June 29 through September 30, 2023, for U.S. Immigration and Customs Enforcement's recently implemented system. The agency also provided summary data on CTR appearances in search results on an older system, Integrated Case Management.

^bU.S. Customs and Border Protection provided separate CTR access data for "summary views" and instances where users viewed the full CTR transcript. We chose to include both summary views and full transcript views in our analysis of CTR access because officials told us that agency personnel typically use information from the summary screen in their workflows and rarely elect to view the entire transcript. Officials told us some users accessed CTRs through automated searches.

To assess the reliability of these data, we conducted electronic and manual data testing, reviewed related documentation, and interviewed

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knowledgeable agency officials. Agency systems differ in how CTR information is displayed, how users typically access CTR information, and how CTR access is recorded in the system. For example, some agencies only accessed CTRs by viewing them individually on-screen, while others also accessed CTRs by searching them with automated scripts or viewing CTR information on summary screens along with information from other sources. CTR access does not necessarily mean that law enforcement personnel reviewed the CTR or used it in their work. We found the data sufficiently reliable to describe the extent to which CTRs were accessed on agency internal systems in fiscal year 2023.

We also obtained access data from a secondary IRS Criminal Investigation system, Investigative Data Examination Application, but we found that these data were not sufficiently reliable to describe CTR access in fiscal year 2023 because they showed improbable patterns of access that were not sufficiently explained. We did not include these data in our analyses.

To help determine the extent to which CTRs provide useful information to law enforcement, we also reviewed prior GAO reports, Inspector General reports, and other studies on the use of and access to CTRs by law enforcement and others. We assessed FinCEN's use of its data to inform decisions on CTR policy against BSA and AMLA statutory provisions.

Review of Potential Effects of Changing the CTR Threshold

To determine the potential effects of changing the CTR threshold, we used FinCEN's data on CTR filings described earlier to assess the impact of inflation on the increase in CTR filings between 2014 and 2023. To show the hypothetical change in CTRs filed in each year with an inflation-adjusted CTR threshold, we used fiscal year Consumer Price Index data and BSA Portal CTR data to calculate the inflation-adjusted threshold and corresponding reduction in CTRs filed for each fiscal year from 2014 through 2023.4 This analysis provided a hypothetical scenario to illustrate the potential effect of an inflation-adjusted CTR threshold on the number of filings.

We also used the CTR data described in our second objective to identify how changes to the CTR threshold might affect the volume and characteristics of CTRs filed at various threshold levels (e.g., \$20,000, \$30,000, \$50,000, and an inflation-adjusted level). We analyzed CTR

⁴We used calendar year Consumer Price Index for All Urban Consumers data in all other analyses.

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filling amount data and compared the number of CTRs filed in 2023 with the hypothetical number of CTRs filed at each of the selected threshold levels. We also compared CTRs filed in 2023 with the hypothetical number of CTRs filed at different threshold levels by filer type, including depository institutions, casinos, and money services businesses.

We also used data on law enforcement CTR accesses to analyze how frequently law enforcement accessed CTRs at the selected thresholds. Finally, we reviewed prior GAO reports and documentation on CTR reporting requirements, including comment letters and international standards. We also reviewed industry and other stakeholder studies and Congressional testimony related to CTRs.

Interviews with Federal Agencies

For all three objectives, we interviewed officials from the Department of the Treasury's Office of Terrorism and Financial Intelligence and FinCEN, and the following federal law enforcement agencies and federal financial regulators.

- Federal law enforcement agencies: Internal Revenue Service's
 Criminal Investigation in the Department of the Treasury; Drug
 Enforcement Administration; Executive Office for U.S. Attorneys;
 Federal Bureau of Investigation, Money Laundering and Asset
 Recovery Section; Organized Crime Drug Enforcement Task Forces
 in the Department of Justice; U.S. Customs and Border Protection;
 U.S. Immigration and Customs Enforcement's Homeland Security
 Investigations; and U.S. Secret Service in the Department of
 Homeland Security; and Bureau of Indian Affairs in the Department of
 the Interior.
- Financial regulators: Federal Deposit Insurance Corporation (FDIC), Board of Governors of the Federal Reserve System, National Credit Union Administration, Office of the Comptroller of the Currency, Commodity Futures Trading Commission, Securities and Exchange Commission, and the Internal Revenue Service.

Our interviews with these agencies covered their use of CTRs and the importance of CTRs in their work. Nine of the law enforcement agencies were selected because they were the top five law enforcement users of BSA Portal or had Agency Integrated Access agreements with FinCEN. They included both investigative and prosecutorial agencies. We also interviewed the Bureau of Indian Affairs' Office of Justice Services to obtain information on its use of CTRs to support tribal law enforcement agencies and provide law enforcement services to Tribes.

Interviews with Tribal, State, and Local Law Enforcement Agencies

We also interviewed one tribal and nine state and local law enforcement agencies about their use of CTRs and the extent to which CTRs provide important information for their work.

We identified tribal law enforcement agencies by considering agencies that (1) were among the largest tribal law enforcement agencies (top 11) based on data from a 2018 Department of Justice census of tribal, state, and local law enforcement agencies; (2) had requested a BSA search between 2019 and 2022; and (3) were suggested by the Bureau of Indian Affairs in an interview. Of those Tribes identified using these criteria, we interviewed one tribal law enforcement agency that met two of the three criteria (among the largest tribal law enforcement agencies and recommended by the Bureau of Indian Affairs) and agreed to speak with us.

We identified state and local law enforcement agencies that had direct access to BSA data through a memorandum of understanding with FinCEN. We then selected nine agencies that reflected a range of types, locations, and number of CTRs accessed.

We also interviewed four umbrella organizations representing tribal, state, and local law enforcement agencies.⁵ We selected these organizations because they were cited by agency and other sources as supporting intelligence gathering or sharing efforts.

Interviews with Depository Institutions and Software Vendors

Depository institutions. We conducted semi-structured interviews with a nongeneralizable sample of 13 depository institutions (banks and credit unions) to determine how CTR reporting requirements affect depository institutions' operations, costs, and customer service. We selected our sample to reflect a range of depository institution types (credit union and community, regional, or national bank) and asset sizes (total assets). We restricted our sample to insured U.S. banks with traditional retail banking

⁵We considered umbrella organizations to be advisory groups, research groups, or nonprofit organizations advocating for, or representing, different types of law enforcement agencies or attorney general's offices (e.g., tribal, state, local) or law enforcement positions/roles (e.g., sheriffs, chiefs).

services (deposit taking and lending) and excluded certain types of nontraditional banks.⁶

We created a dataset of institutions using publicly available call report data from the National Credit Union Administration and FDIC bank data for FDIC-insured institutions for the third quarter of fiscal year 2023. We categorized institutions into credit unions, community banks (assets less than \$10 billion), regional banks (assets between \$10 and \$100 billion), and large banks (assets greater than \$100 billion). The number of institutions we selected from each category was based on the number of institutions and the percentage of total assets held by each category (see table 9).

We drew random samples of institutions in each category from our dataset of institutions, reviewed them to ensure they met our criteria, and verified they filed at least one CTR in 2023. If a selected institution did not meet our criteria or its officials did not respond, we contacted the next institution in the random sample until we reached the desired number of interviews for each category.

Institution category (number selected)	Asset size for category	Regulators represented in each category	Percentage of total assets held per category (%)	Total number of institutions in each category
Large (4)	More than \$100 billion	OCC, Federal Reserve	64%	29
Regional (2)	Between \$10 and \$100 billion	FDIC	13%	122
Community (4)	Less than \$10 billion	FDIC, Federal Reserve	14%	4,434
Credit union (3)	Not applicable	NCUA	9%	4,742

Legend:

Federal Reserve = Board of Governors of the Federal Reserve System

⁶We focused our interviews to federally insured U.S. banks and credit unions. We excluded foreign banks and their U.S. branches, banks with nontraditional accounts, consumer nonbanks and industrial loan companies, trust companies, banker's banks, credit card banks, bank holding companies and banks directly owned by other banks, banks established within 3 or fewer years, and credit unions, community banks, or regional banks recently part of a merger or acquisition. After selecting our banks, we also reviewed the sample to ensure that at least one bank in our sample was overseen by each federal banking regulator (Office of the Comptroller of the Currency, National Credit Union Administration, Federal Reserve, and FDIC).

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OCC = Office of the Comptroller of the Currency

FDIC = Federal Deposit Insurance Corporation

NCUA = National Credit Union Administration

Source: GAO analysis of FDIC and NCUA data. | GAO-25-106500

Our interviews with these bank and credit union representatives covered topics that included costs associated with filing CTRs, FinCEN guidance, alternatives to the CTR threshold, and customer privacy concerns.

Software vendors. We conducted semi-structured interviews with representatives of four automation technology companies to collect information on CTR requirements, how their software supports CTR filers' CTR compliance, compliance costs, and their perspectives on the reporting threshold. To identify potential vendors, we consulted industry associations, BSA and anti-money laundering experts, and financial institution regulators, resulting in a list of 12 vendors. We selected a nongeneralizable sample of four vendors because they were frequently mentioned in our interviews, offered a variety of products, and served a range of financial institutions.

Interviews with Industry Associations, Experts, and Privacy Groups

In addition, we conducted semi-structured interviews with representatives from nongeneralizable samples of organizations to identify specific limitations or challenges related to CTRs and views on improving or streamlining CTR requirements. In addition to individual selection criteria described below, we selected these organizations because they filed comment letters related to CTRs on recent FinCEN rulings and information requests, or demonstrated expertise in anti-money laundering issues.

⁷The 11 industry association interviews generally included staff from (1) industry associations and (2) financial institutions that were members of the association. We collectively refer to these staff as "financial institution representatives" throughout this report, unless otherwise noted. We refer to consultants with expertise in overall antimoney laundering topics and compliance technology as "BSA compliance consultants" and refer to think tank and policy groups that address privacy, civil liberty, and other related concerns as "think tank and privacy group representatives".

⁸We reviewed comments made in response to a Request for Information and an Advanced Notice of Proposed Rulemaking. The request for information sought comment on ways to streamline, modernize, and update the anti-money laundering and countering the financing of terrorism regime to protect U.S. national security in a cost-effective and efficient manner. FinCEN received 140 comments. See 86 Fed. Reg. 71201 (Dec. 15, 2021). The Advanced Notice of Proposed Rulemaking sought public comment on potential regulatory amendments that would establish that all covered financial institutions must maintain an "effective and reasonably designed" anti-money laundering program. FinCEN received 110 comments. See 85 Fed. Reg. 58023 (Sept. 17, 2020).

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Industry associations. We interviewed 11 industry associations that represent different types of financial institutions required to file CTRs—banks, credit unions, casinos, and money services businesses.⁹ These institution types were chosen because FinCEN's 2020 Paperwork Reduction Act review of CTR requirements identified their members as filing nearly all (99 percent) CTRs.

BSA and anti-money laundering experts and consultants. We interviewed three BSA and anti-money laundering experts and consultants, selected because they had (1) prior work experience in BSA and anti-money laundering fields (such as roles at FinCEN), (2) consulting experience for major financial institutions, (3) demonstrated policy expertise, or (4) anti-money laundering accreditations.

Think tanks and privacy groups. We interviewed four think tank and policy groups that address privacy, civil liberty, and other related concerns, selected because their comment letters had raised issues relevant to BSA and anti-money laundering legislation, including CTRs.¹⁰

We conducted this performance audit from January 2023 to December 2024 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

⁹The industry associations were the American Bankers Association, American Gaming Association, Bank Policy Institute, Credit Union National Association, Independent Community Bankers of America, INFiN, Mid-Size Bank Coalition of America, Money Services Business Association, National Association of Federally-Insured Credit Unions, National Association of State Credit Union Supervisors, and the Wolfsberg Group.

¹⁰ The four groups were the Brookings Institution, the Cato Institute, the Heritage Foundation, and the American Civil Liberties Union.

Survey Development

We conducted a web-based survey of law enforcement agencies with direct access to currency transaction reports (CTRs). The survey aimed to understand these agencies' use of CTRs and their perspectives on CTR usefulness. We surveyed all 327 law enforcement agencies that had an active memorandum of understanding with FinCEN to access CTRs and other Bank Secrecy Act (BSA) reports as of June 30, 2023.

We administered the survey from November 1, 2023, to January 31, 2024. We received valid responses from 197 agencies, representing a 60 percent response rate. To ensure the survey results are generalizable to the population, we adjusted sample weights. We express our confidence in the precision of our estimates as a 95 percent confidence interval. For a more detailed discussion of our survey methodology see appendix I.

The survey consisted of 18 multiple choice questions that explored the purposes for which law enforcement agencies used CTRs, the importance of CTRs and specific data fields, alternatives to CTRs, and the potential effects of changing the CTR threshold. The survey also provided respondents opportunities to supply additional information for most of their multiple-choice answers and to submit additional text responses. Most questions that included a date range for respondents' use of CTRs and other BSA reports covered the period since January 1, 2021 (approximately the previous 3 years). Some questions asked about their use since January 1, 2023 (approximately the previous year).

Survey Results

Table 10 provides information on the survey respondents and tables 11 through 28 provide the questions from the survey and the responses to its individual questions.¹

	Valid survey responses
All agencies	197
Government level	
Federal law enforcement agencies	89
State law enforcement agencies	53
Local law enforcement agencies	55

¹We do not report any results by subgroup or response category that contained fewer than 20 responses to protect respondent confidentiality and ensure statistical precision.

	Valid survey responses
Investigative agency	105
Prosecutorial agency	47
Multi-function agency	45

Source: GAO. | GAO-25-106500

Note: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023.

Table 11: Since January 1, 2021, did your agency use currency transaction reports in connection with investigations or prosecutions?

	Estimated percentage	95 percent confidence interval
Yes	96%	93–99%
No	*	*

Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

Table 12: How often does your agency use each of the following methods to access currency transaction reports?

	At least occa	sionally	Rarely or n	ever
	Estimated %	95% CI	Estimated %	95% CI
Direct searches of FinCEN's BSA Portal/Search	93%	89–96%	*	*
Federal	92%	86–98%	*	*
State or local	96%	92–100%	*	*
Request to another agency or FinCEN to conduct searches	18%	12–24%	82%	76–88%
Federal	27%	17–37%	73%	63–83%
State or local	*	*	90%	84–96%
Internal agency system that receives bulk data download access from FinCEN	*	*	88%	82–93%
Federal	*	*	81%	71–91%
State or local	*	*	93%	88–98%
Receive referral, alert, or analysis (including "lead packages") of BSA reports from your agency, another agency, FinCEN, SAR review team, or Task Force	45%	38–53%	55%	47–62%
Federal	57%	46–68%	43%	32–54%

	At least occasionally		Rarely or never	
-	Estimated %	95% CI	Estimated %	95% CI
State or local	36%	26-45%	64%	55–74%
Directly from financial institution through due process, 314(a) program, or other method ^a	32%	25–39%	68%	61–75%
Federal	38%	27–49%	62%	51–73%
State or local	29%	20–39%	71%	61–80%

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval; FinCEN = Financial Crimes Enforcement Network; BSA = Bank Secrecy Act.

Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with FinCEN to access BSA reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate. We use the term "at least occasionally" to cover survey responses that reported using access methods "occasionally" or "frequently." The response options to this survey question were "frequently," "occasionally," "not often," "never," and "don't know."

^aFinCEN's 314(a) program enables law enforcement agencies to contact U.S. financial institutions through FinCEN to locate accounts and transactions of subjects that may be involved in terrorism or money laundering.

Table 13: Does your agency have a standard practice to search currency transaction reports (either specifically or as part of a broader search of Bank Secrecy Act reports) for each investigation or prosecution?

	Estimated percentage	95 percent confidence interval
Yes	47%	40–54%
Federal	45%	35–55%
State or local	50%	40–59%
No	53%	46–60%
Federal	55%	45–65%
State or local	50%	41–60%

Source: GAO. | GAO-25-106500

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

Table 14: Since January 1, 2021, how often did your agency identify currency transaction reports that were relevant for each of the following crimes?

	At least occas	sionally	Rarely or n	ever
	Estimated %	95% CI	Estimated %	95% CI
Drug trafficking	74%	67–81%	26%	19–33%
Federal	68%	56-80%	*	*
State or local	79%	71–87%	21%	13–29%
Financial and other fraud	92%	88–96%	*	*
Federal	89%	82-96%	*	*
State or local	95%	91–99%	*	*
Human smuggling	36%	28–44%	64%	56–72%
Federal	*	*	63%	50-77%
State or local	35%	25–45%	65%	55–75%
Human trafficking	44%	35–52%	56%	48–65%
Federal	41%	27-55%	59%	45–73%
State or local	46%	35–56%	54%	44–65%
Money laundering	86%	81–91%	14%	9–19%
Federal	85%	77–93%	*	*
State or local	86%	80–93%	*	*
Organized criminal enterprises	72%	65–79%	28%	21–35%
Federal	62%	51–74%	38%	26–49%
State or local	80%	72–88%	*	*
Proliferation of weapons of mass destruction	*	*	87%	81–93%
Federal	*	*	81%	70–92%
State or local	*	*	92%	86–98%
Public corruption	49%	41–57%	51%	43–59%
Federal	52%	40–64%	48%	36–60%
State or local	46%	35–56%	54%	44–65%
Tax crime	56%	48–64%	44%	36–52%
Federal	67%	56–79%	33%	21–44%
State or local	47%	37–58%	53%	42–63%
Terrorism	20%	13–26%	80%	74–87%
Federal	*	*	78%	66–90%
State or local	*	*	82%	74–90%

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval

Source: GAO. | GAO-25-106500

^{*}Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate. We use the term "at least occasionally" to cover survey responses that reported identifying currency transaction reports "occasionally" or "frequently." The response options to this survey question were "frequently," "occasionally," "not often," "never," and "not applicable to agency."

Table 15: Since January 1, 2021, how often did your agency identify currency transaction reports (CTRs) that were relevant for each of the following purposes?

	At least occa	sionally	Rarely or n	ever
-	Estimated %	95% CI	Estimated %	95% CI
Identifying the need for new investigations (e.g., by identifying potential subjects or suspicious activity)	67%	60–74%	33%	26–40%
Federal	69%	59–79%	31%	21–41%
State or local	65%	55–74%	35%	26–45%
Developing leads for existing investigations (e.g., by tracking where transactions took place or the name of conductors)	91%	86–95%	*	*
Federal	85%	77–93%	*	*
State or local	96%	93–100%	*	*
Analyzing trends, patterns, and issues associated with criminal activity, separate from ongoing case work	55%	48–62%	45%	38–52%
Federal	50%	39–61%	50%	39–61%
State or local	60%	50-69%	40%	31–50%
Prosecuting criminal cases where CTRs were used as evidence or used as a basis to obtain evidence (e.g., bank records)	65%	58–72%	35%	28–42%
Federal	68%	58-79%	32%	21–42%
State or local	62%	52-72%	38%	28–48%
Working on criminal prosecutions (post indictment or information), including for civil or criminal asset forfeiture or restitution purposes	58%	51–66%	42%	34–49%
Federal	63%	51–74%	37%	26–49%
State or local	54%	43-64%	46%	36–57%
Bringing civil or administrative actions where CTRs were used as evidence or used as a basis to obtain evidence (e.g., bank records)	34%	26–42%	66%	58–74%
Federal	43%	31–55%	57%	45–69%
State or local	25%	16–34%	75%	66–84%

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval

Source: GAO. | GAO-25-106500

^{*}Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate. We use the term "at least occasionally" to cover survey responses that reported identifying CTRs "occasionally" or "frequently." The response options to this survey question were "frequently," "occasionally," "not often," "never," and "not applicable to agency."

Table 16: Since January 1, 2021, how useful were relevant currency transaction reports (CTRs) for each of the following purposes?

	Usefu	I	Not usef	ul
	Estimated %	95% CI	Estimated %	95% CI
Identifying the need for new investigations (e.g., by identifying potential subjects or suspicious activity)	91%	87–95%	*	*
Federal	91%	84–97%	*	*
State or local	91%	86–97%	*	*
Developing leads for existing investigations (e.g., by tracking where transactions took place or the name of conductors)	97%	94–99%	*	*
Federal	96%	92–100%	*	*
State or local	97%	94–100%	*	*
Analyzing trends, patterns, and issues associated with criminal activity, separate from ongoing case work	82%	76–89%	18%	11–24%
Federal	73%	62-84%	*	*
State or local	90%	84–97%	*	*
Prosecuting criminal cases where CTRs were used as evidence or used as a basis to obtain evidence (e.g., bank records)	93%	89–97%	*	*
Federal	93%	86–99%	*	*
State or local	93%	88–98%	*	*
Working on criminal prosecutions (post indictment or information), including for civil or criminal asset forfeiture or restitution purposes	85%	78–91%	15%	9–22%
Federal	86%	77–94%	*	*
State or local	83%	75–92%	*	*
Bringing civil or administrative actions where CTRs were used as evidence or used as a basis to obtain evidence (e.g., bank records)	74%	65–82%	26%	18–35%
Federal	77%	66–88%	*	*
State or local	68%	55-82%	*	*

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval

Source: GAO. | GAO-25-106500

^{*}Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate. We use the term "useful" to cover survey responses that reported that CTR fields were "very useful" or "somewhat useful." The response options to this survey question were "very useful," "somewhat useful," "not very useful," "not at all useful," and "not applicable."

Table 17: Since January 1, 2023, how important have currency transaction reports been to investigations or prosecutions in general?

	Estimated percentage	95 percent confidence interval
Important	91%	87–95%
Not important	*	*

Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate. We use the term "important" to cover survey responses that reported currency transaction reports were "very important" or "somewhat important." The response options to this survey question were "very important," "somewhat important," "not very important," "not at all important," and "not applicable."

Table 18: Since January 1, 2023, how important have each of the following aspects of currency transaction report (CTR) requirements been to the overall usefulness of CTRs?

	Very impo	rtant	Somewhat important		Not vei importa	•	Not at a importa	
	Estimated %	95% CI	Estimated %	95% CI	Estimated %	95% CI	Estimated %	95% CI
Provide a trail of cash transactions	63%	56-70%	32%	25–39%	*	*	*	*
Provide unique location and date information	62%	54–69%	32%	25–39%	*	*	*	*
Provide unique account information	75%	69–81%	21%	15–27%	*	*	*	*
Provide information on people conducting transactions on behalf of a business	64%	57–71%	32%	25–39%	*	*	*	*
Create structuring behavior that may result in structuring SARs	51%	43–58%	37%	30–44%	*	*	*	*
Aggregation of multiple transactions in a business day	52%	44–59%	38%	31–46%	*	*	*	*
Aggregation of multiple transactions across business and personal accounts	53%	45–60%	37%	29–44%	*	*	*	*

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval; SARs = Suspicious Activity Reports Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

Table 19: Since January 1, 2021, would your agency have been able to use the following sources instead of currency transaction reports in investigations or prosecutions

	Yes, with similar efficiency		Yes, but with less efficiency		No	
	Estimated %	95% CI	Estimated %	95% CI	Estimated %	95% CI
Structuring SARs	60%	52-67%	28%	21–35%	12%	7–17%
SARs (other than structuring)	64%	57–72%	26%	19–32%	*	*
Other BSA reports (e.g., Form 8300, Currency and Monetary Instrument report)	45%	37–53%	34%	27–42%	21%	15–27%
Tax records	26%	19–33%	37%	29–45%	37%	29–45%
Bank records	51%	44–59%	40%	32–47%	*	*
314(a) program ^a	25%	17–34%	41%	32–50%	34%	25–42%

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval; SARs = Suspicious Activity Reports; BSA = Bank Secrecy Act Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network (FinCEN) to access BSA reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

^aFinCEN's 314(a) program enables law enforcement agencies to contact U.S. financial institutions through FinCEN to locate accounts and transactions of subjects that may be involved in terrorism or money laundering.

Table 20: Thinking about currency transaction reports that your agency accessed since January 1, 2021, how often has your agency used information about each of the following categories?

	At least occasionally		Rarely or n	ever
	Estimated %	95% CI	Estimated %	95% CI
Information on the person conducting the transaction on their own behalf	93%	90–97%	*	*
Federal	94%	88–99%	*	*
State or local	93%	88–98%	*	*
Information on the person conducting the transaction for another	88%	83–93%	12%	7–17%
Federal	89%	82-96%	*	*
State or local	87%	80–94%	*	*

	At least occasionally		Rarely or n	ever
	Estimated %	95% CI	Estimated %	95% CI
Information on the person on whose behalf the transaction was conducted	88%	84–93%	12%	7–16%
Federal	88%	81–96%	*	*
State or local	89%	82-95%	*	*
Information on the common carrier (e.g., armored car service)	30%	22-37%	70%	63–78%
Federal	31%	20–42%	69%	58-80%
State or local	29%	19–34%	71%	62-81%

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval

Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate. We use the term "at least occasionally" to cover survey responses that reported using currency transaction report information "occasionally" or "frequently." The response options to this survey question were "frequently," "occasionally," "not often," "never," and "don't know."

Table 21: Thinking about currency transaction reports that your agency accessed since January 1, 2021, how often has your agency used information from each of the following fields related to person(s) involved in the transactions?

	At least occasionally		Rarely or n	ever
	Estimated %	95% CI	Estimated %	95% CI
Occupation or business type	86%	80–91%	14%	9–20%
Federal	84%	76–92%	*	*
State or local	87%	81–94%	*	*
Account number	94%	90–97%	*	*
Federal	90%	84–97%	*	*
State or local	97%	94–100%	*	*
Social Security number / tax identification number	92%	88–96%	*	*
Federal	90%	84–97%	*	*
State or local	93%	88–98%	*	*
Identification number (e.g., license number, passport number)	84%	78–89%	16%	11–22%
Federal	80%	72–89%	*	*
State or local	86%	79–93%	*	*
Cash in and cash out amounts	93%	89–96%	*	*
Federal	90%	84–97%	*	*
State or local	95%	90–99%	*	*
Email address	76%	69–82%	24%	18–31%

	At least occas	sionally	Rarely or n	ever
	Estimated %	95% CI	Estimated %	95% CI
Federal	73%	63-83%	27%	17–37%
State or local	78%	70–87%	22%	13–30%
Gender	39%	32–47%	61%	53–68%
Federal	36%	25–47%	64%	53–75%
State or local	42%	32-52%	58%	47–68%
NAICS code	24%	17–32%	76%	68–83%
Federal	*	*	76%	65–87%
State or local	*	*	75%	65–86%
Phone number	78%	71–84%	22%	16–29%
Federal	68%	58-79%	32%	21–42%
State or local	87%	80-93%	*	*
Location of transaction	85%	80–90%	15%	10–20%
Federal	83%	75–91%	*	*
State or local	87%	81–94%	*	*
Date of transaction	90%	86–95%	*	*
Federal	90%	84–97%	*	*
State or local	90%	84–96%	*	*

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval; NAICS = North American Industry Classification System

Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate. We use the term "at least occasionally" to cover survey responses that reported using currency transaction report fields "occasionally" or "frequently." The response options to this survey question were "frequently," "occasionally," "not often," "never," and "don't know."

Table 22: How would each of the following proposed alternatives to the current currency transaction report (CTR) requirements affect your agency?

	Positively		No et	ffect	Negatively	
	Estimated %	95% CI	Estimated %	95% CI	Estimated %	95% CI
Keep CTRs, but remove aggregation requirements	*	*	22%	15–28%	68%	61–76%
Federal	*	*	*	*	70%	59–81%
State or local	*	*	*	*	67%	56–77%

	Positively		No ef	fect	Negative	ely
	Estimated %	95% CI	Estimated %	95% CI	Estimated %	95% CI
Keep CTRs, but streamline the form to reduce fields	31%	23–38%	36%	28–44%	33%	25–41%
Federal	31%	20–43%	36%	24–47%	33%	21–44%
State or local	30%	20–40%	36%	25–47%	34%	23–44%
Remove CTRs, but require automatic reporting of all cash transactions	28%	20–36%	17%	11–24%	55%	46–63%
Federal	*	*	*	*	59%	46–71%
State or local	34%	23–45%	*	*	51%	39–62%
Remove CTRs and rely on suspicious activity reporting to identify suspicious cash transactions	*	*	*	*	75%	69–82%
Federal	*	*	*	*	75%	65–85%
State or local	*	*	*	*	76%	67–85%
Remove CTRs but enhance structuring SARs to include key CTR fields	24%	17–32%	22%	15–29%	54%	46–62%
Federal	*	*	*	*	52%	39–64%
State or local	*	*	*	*	57%	45–68%

 $Legend: Estimated \ \% = estimated \ percentage; 95\% \ CI = 95 \ percent \ confidence \ interval; SARs = Suspicious \ Activity \ Reports$

Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

Table 23: How would each of the following proposals affect your agency?

	Positively		No effect		Negatively	
	Estimated %	95% CI	Estimated %	95% CI	Estimated %	95% CI
Lower the currency transaction report (CTR) threshold	52%	44–60%	29%	21–36%	20%	13–26%
Federal	38%	27–50%	31%	20–42%	31%	20–42%
State or local	65%	55–75%	27%	17–36%	*	*
Lower the CTR threshold while removing aggregation requirements	16%	9–22%	24%	17–32%	60%	52–69%
Federal	*	*	*	*	70%	59–82%
State or local	*	*	*	*	49%	37–61%

	Positively		No effect		Negatively	
	Estimated %	95% CI	Estimated %	95% CI	Estimated %	95% CI
Raise the CTR threshold	*	*	15%	10–21%	76%	70–83%
Federal	*	*	*	*	71%	61–82%
State or local	*	*	*	*	81%	73–90%
Adjust the CTR threshold to account for future periodic inflation changes	*	*	36%	27–45%	51%	42–60%
Federal	*	*	38%	25–50%	45%	31–58%
State or local	*	*	34%	22–46%	58%	46–71%
Adjust the CTR threshold to reflect past inflation (to about \$74,000)	*	*	21%	14–28%	72%	64–80%
Federal	*	*	*	*	74%	63–85%
State or local	*	*	*	*	70%	58–81%

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval

Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

Table 24: In your agency's experience, has your agency found higher dollar value currency transaction reports (those over \$50,000) to be more or less useful than lower dollar value currency transaction reports (those \$50,000 or under)?

	Higher dollar va useful	Higher dollar value more useful		No difference		Lower dollar value more useful	
	Estimated %	95% CI	Estimated %	95% CI	Estimated %	95% CI	
All agencies	*	*	72%	65–79%	16%	10–21%	
Federal	*	*	66%	55–77%	*	*	
State or local	*	*	80%	70–88%	*	*	

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval

Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

Table 25: In your agency's opinion, should the currency transaction reporting requirement be changed from the current \$10,000 threshold?

	Yes		No		
	Estimated %	95% CI	Estimated %	95% CI	
All agencies	25%	18–32%	75%	68-82%	
Federal	*	*	80%	71–90%	
State or local	30%	20–41%	70%	59–80%	

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval

Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

Table 26: If the threshold were to change, in your agency's opinion, what would be the ideal new threshold? Please enter a numeric value.

	Estimated percentage	95 percent confidence interval
\$0-10,000	67%	50–85%
More than \$10,000	*	*

Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: This survey question was a free numeric response and the reported results are GAO's aggregation of the numeric responses. We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

Table 27: Does your agency track any information on its use of currency transaction reports?

	Yes	Yes		No	
	Estimated %	95% CI	Estimated %	95% CI	
All agencies	13%	8–18%	87%	82-92%	
Federal	*	*	87%	79–94%	
State or local	*	*	87%	81–93%	

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval

Source: GAO. | GAO-25-106500

*Estimated percentages and confidence intervals for categories chosen by fewer than 20 respondents are not reported.

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with the Financial Crimes Enforcement Network to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

Table 28: In the past 5 years (since January 1, 2019), has FinCEN ever contacted your agency (other than through the annual audit process) about how your agency accesses currency transaction reports?

	Yes	Yes		No	
	Estimated %	95% CI	Estimated %	95% CI	
All agencies	14%	9–18%	86%	82–91%	

Legend: Estimated % = estimated percentage; 95% CI = 95 percent confidence interval; FinCEN = Financial Crimes Enforcement Network Source: GAO. | GAO-25-106500

Notes: We conducted a generalizable survey of 327 law enforcement agencies that had an active memorandum of understanding with FinCEN to access Bank Secrecy Act reports as of June 30, 2023. Upper- and lower-bound 95 percent confidence intervals are provided for each estimate.

This appendix provides information on access to currency transaction reports (CTRs) by law enforcement agencies through the Financial Crimes Enforcement Network's (FinCEN) BSA Portal and on the internal systems of agencies with Agency Integrated Access. Appendix I provides more information about these data.

While other sections of this report analyze the number of CTRs accessed by law enforcement agencies, this appendix presents analyses of the volume of accesses. In these analyses, multiple accesses to the same CTR by an agency are counted individually, providing a more detailed picture of usage patterns.

Our analysis found that law enforcement agencies accessed CTRs through BSA Portal about 2.5 million times in fiscal year 2023. Federal law enforcement agencies accessed CTRs more than 2.1 million times, while state and local agencies accessed CTRs more than 370,000 times. Both figures were the highest in the past 5 years, following 2022 figures that were the lowest in the past 5 years (see fig. 15).

¹Agency Integrated Access, formerly called bulk data access, allows agencies to download BSA data onto their own audited and protected computer systems. The agencies then may grant personnel access to search BSA data directly on internal systems.

Fiscal year 2019 2020 2021 2022 2023 0 0.5 1.0 1.5 2.0 2.5 3.0 Number of currency transaction report accesses (in millions) Federal State/local

Figure 15: Law Enforcement Currency Transaction Report Accesses through FinCEN's BSA Portal, Fiscal Years 2019–2023

Source: GAO analysis of Financial Crimes Enforcement Network (FinCEN) data. | GAO-25-106500

Federal agencies accounted for about 85 percent of total law enforcement accesses of CTRs through FinCEN's BSA Portal in fiscal years 2019–2023. As of April 2024, federal agencies also made up about 86 percent of registered BSA Portal users from law enforcement agencies. About half of federal, state, and local law enforcement agencies had fewer than 500 CTR accesses per year over the 5-year period (see table 29). Most agencies with access to the portal are relatively small, with a median of five registered users as of April 2024.

Table 29: Law Enforcement Agencies' Average Number of Currency Transaction Report (CTR) Accesses per Year through BSA Portal, Fiscal Years 2019–2023

	Fewer than 500 CTR accesses	•	5,000 to 49,999 CTR accesses	50,000 or More CTR accesses
Federal law enforcement agencies	87 (48%)	75 (42%)	13 (7%)	5 (3%)
State/local law enforcement agencies	90 (54%)	60 (36%)	16 (10%)	0 (0%)

Source: GAO analysis of Financial Crimes Enforcement Network (FinCEN) data. | GAO-25-106500

Five large federal law enforcement agencies averaged more than 50,000 CTR accesses per year over the 5-year period: the Drug Enforcement Administration (DEA), U.S. Immigration and Customs Enforcement (ICE), Federal Bureau of Investigation (FBI), IRS Criminal Investigation (IRS-CI), and U.S. Customs and Border Protection (CBP). Together, these agencies accessed CTRs through BSA Portal more than 7 million times in fiscal years 2019 through 2023, accounting for roughly two-thirds of all law enforcement CTR accesses (see fig. 16).

15% • State and local agencies

19% • Other federal agencies

Five large federal agencies

Figure 16: Law Enforcement Currency Transaction Report Accesses through BSA Portal, by Type of Agency, Fiscal Years 2019–2023

Source: GAO analysis of Financial Crimes Enforcement Network (FinCEN) data. | GAO-25-106500

Note: The five large federal agencies are the Drug Enforcement Administration, U.S. Immigration and Customs Enforcement, Federal Bureau of Investigation, IRS Criminal Investigation, and U.S. Customs and Border Protection.

DEA was the heaviest law enforcement user of CTRs through BSA Portal. It averaged more than 750,000 CTR accesses per year over the period, more than all state and local agencies combined. ICE and FBI averaged more than 200,000 CTR accesses in BSA Portal each year over the period. Unlike the other four large federal agencies that frequently access CTRs, DEA does not have Agency Integrated Access, as we discuss below, and relies on BSA Portal for access to CTRs and other BSA reports.

These five large federal agencies each had more than 900 personnel with active portal accounts as of April 2024, collectively accounting for more

than half of the portal's law enforcement users. Four of the agencies have Agency Integrated Access agreements with FinCEN, permitting them to provide personnel with access to BSA reports through their internal systems. These agencies sometimes have many more personnel with access through internal systems than through BSA Portal (see fig. 17).² FinCEN requires that these agencies provide appropriate training to all personnel with access and maintain an audit trail when personnel access BSA information on internal systems.

Agency FBI ICE **IRS Criminal** Investigation CBP CBP = U.S. Customs and Border Protection DEA CTR = currency transaction report DEA = Drug Enforcement Administration FBI = Federal Bureau of Investigation ICE = U.S. Immigration and Customs Enforcement IRS = Internal Revenue Service Other federal LEA LEA = Law enforcement agency State/local LEA 8 10 12 14 Number of personnel with access to CTRs (in thousands) Access through internal system Access through BSA Portal

Figure 17: Number of Law Enforcement Personnel with Access to CTRs through BSA Portal and Internal Systems, Selected Agencies

Source: GAO analysis of agency data. \mid GAO-25-106500

Note: User counts for internal systems are as of August and September 2023. User counts for BSA Portal are as of April 2024, except IRS Criminal Investigation, which is as of June 2024. Some law enforcement personnel have access to CTRs through both BSA Portal and their agency's internal system.

Overall, summary data from agencies with Agency Integrated Access indicate that a substantial volume of law enforcement CTRs are accessed

²CBP has similar numbers of users for BSA Portal and internal systems. CBP officials said the agency requires users of BSA information through its internal systems to also maintain BSA Portal access.

on these agencies' internal systems (see table 30). Accesses on internal systems are not directly comparable to accesses through BSA Portal due to differences in how systems record access.

Table 30: Currency Transaction Report (CTR) Accesses in Fiscal Year 2023 at Selected Federal Agencies

	CTR accesses in BSA Portal, fiscal year 2023	CTR accesses in internal system(s), fiscal year 2023
Federal Bureau of Investigation	309,548	409,251
U.S. Immigration and Customs Enforcement	338,545	92,308 ^a
IRS Criminal Investigation	121,913	3,568,107 ^b
U.S. Customs and Border Protection	55,186	1,277,087°
Drug Enforcement Administration	720,145	Not applicable ^d

Source: Financial Crimes Enforcement Network (FinCEN) and the listed agencies. | GAO-25-106500

Notes: Because of differences in how CTR information is displayed, how accesses are counted, and user workflows, CTR accesses on agency internal systems are not directly comparable to accesses through BSA Portal or to CTR accesses on the internal systems of other agencies.

^aU.S. Immigration and Customs Enforcement implemented a new internal system for CTR access in June 2023, according to officials, but the majority of the agency's internal CTR use occurred on an older system. Reported CTR accesses are for CTR appearances in search results on the older system.

^bIRS Criminal Investigation's internal system records access when a user loads a page with information from a CTR, but users may not view information from every CTR loaded, according to officials

^cU.S. Customs and Border Protection's internal systems display relevant CTR information to users in a summary format and users generally do not elect to view the entire CTR transcript, according to officials. Reported CTR accesses are for summary views.

^dThe Drug Enforcement Administration did not have access to CTRs on its internal systems as of June 2024.

Key uses of CTRs by the five largest law enforcement users include the following:

- FBI officials told us they most commonly use CTRs for complex financial crime, organized crime, violent crime, and corruption cases. An FBI analysis of CTRs filed from October 1, 2020, to July 31, 2022, found that CTRs most commonly matched to the main subject of investigations in the Organized Crime and Drug Enforcement program. About 20 percent of these subjects had at least one matching CTR.
- ICE Homeland Security Investigations agents told us they regularly
 use CTRs to generate leads in ongoing cases, such as identifying
 potential co-conspirators or obtaining accurate identifying information
 about suspects known only by nicknames.

- IRS-CI officials told us that the agency's internal system serves as the primary data tool for investigative staff and contains information from multiple sources. CTRs can play a role in identifying potential fraud when analyzed in conjunction with information from other sources, such as tax records, corporate records, and bank records, according to officials. For example, IRS-CI has a particular interest in CTRs filed by check cashers, as business owners who frequently cash checks may fail to report those funds as income on their tax returns.
- CBP officials said the agency uses CTRs to support the screening, vetting, and interdiction of travelers who may pose a risk to national security, public safety, and lawful trade and travel. CBP personnel find CTRs useful to compare to FinCEN Form 105 (Report of International Transportation of Currency or Monetary Instruments), which are filed when travelers enter or leave the U.S. with more than \$10,000 in currency or other monetary instruments.
- DEA officials told us that drug investigations often rely on tracking
 movements of currency, and CTRs are very helpful in this process.
 While most drug sellers attempt to avoid triggering CTRs by staying
 below the \$10,000 threshold, they may inadvertently create patterns
 of activity that generate aggregated CTRs or SARs, the officials
 explained. DEA officials told us that the agency has requested Agency
 Integrated Access, and FinCEN officials told us FinCEN is working
 with DEA to draft an Agency Integrated Access agreement to provide
 DEA access.

Two additional federal agencies play key roles in facilitating law enforcement use of CTR information.

- The Organized Crime Drug Enforcement Task Forces (OCDETF) Fusion Center plays a key role in interagency coordination, combining BSA data with those of 24 partner agencies. The Fusion Center can identify all active investigations related to a subject identified on a CTR or other BSA report, facilitating communication between agencies, according to officials. OCDETF personnel have Agency Integrated Access and recorded over 85,000 CTR accesses on an internal system and about 1,000 through BSA Portal in fiscal year 2023.
- FinCEN does not categorize itself as a law enforcement agency but conducts analysis and provides analytic products that can support law enforcement agency investigations. It also issues advisories and notices that inform financial institutions about potential threats and vulnerabilities related to money laundering or terrorist financing. FinCEN personnel accessed CTRs almost 150,000 times through

BSA portal in fiscal year 2023. FinCEN personnel also access and analyze CTR information through certain software tools that are not counted in the BSA Portal access data, according to officials.

This appendix provides information on access to currency transaction reports (CTRs) in Financial Crimes Enforcement Network's (FinCEN) BSA Portal. We obtained and analyzed record-level FinCEN data for fiscal years 2014 through 2023, including data on all CTRs filed in the 10-year period and all law enforcement access of those CTRs through BSA Portal. Once filed, CTRs were continuously accessible to law enforcement agencies.¹ As a result, CTRs filed in earlier years were more likely to have been accessed by law enforcement within the 10-year period because they were accessible for longer. The results reported in this appendix do not include CTRs filed before 2014 or accessed on the internal systems of agencies with Agency Integrated Access agreements.

Table 31: Currency Transaction Reports (CTRs) Accessed by Law Enforcement Agencies in BSA Portal, Fiscal Years 2014–2023, by Law Enforcement Level

	Number of CTRs filed in fiscal years 2014–2023	Number of CTRs accessed by law enforcement agencies
All CTRs	167,525,214	9,107,883 (5.4%)
Accessed only by federal agency		7,099,984 (4.2%)
Accessed only by state/local agency		1,659,261 (1.0%)
Accessed by both federal and state/local agency		348,638 (0.2%)

Source: GAO analysis of Financial Crimes Enforcement Network data. | GAO-25-106500

Table 32: Currency Transaction Reports (CTRs) Accessed by Law Enforcement Agencies in BSA Portal, Fiscal Years 2014–2023, by Number of Times Accessed

	Number of CTRs filed in fiscal years 2014–2023	Number of CTRs accessed by law enforcement agencies
All CTRs	167,525,214	9,107,883 (5.4%)
Accessed one time		6,052,193 (3.6%)
Accessed two times		1,713,756 (1.0%)
Accessed three or more times		1,341,934 (0.8%)

Source: GAO analysis of Financial Crimes Enforcement Network data. | GAO-25-106500

¹After a system transition in June 2024, FinCEN no longer makes CTRs accessible through BSA Portal indefinitely, according to FinCEN officials. Instead, BSA Portal users can access CTRs from the most recent 10 years and the current year.

Table 33: Currency Transaction Reports (CTRs) Accessed by Law Enforcement Agencies in BSA Portal, Fiscal Years 2014–2023, by Number of Agencies Accessing

	Number of CTRs filed in fiscal years 2014–2023	Number of CTRs accessed by law enforcement agencies
All CTRs	167,525,214	9,107,883 (5.4%)
Accessed by one agency		8,150,455 (4.9%)
Accessed by two agencies		750,843 (0.4%)
Accessed by three or more agencies		206,585 (0.1%)

Source: GAO analysis of Financial Crimes Enforcement Network data. | GAO-25-106500

Table 34: Transaction Value of Currency Transaction Reports (CTRs) Filed and Accessed by Law Enforcement Agencies in BSA Portal, Fiscal Years 2014–2023

	Number of CTRs filed in fiscal years 2014–2023	Number of CTRs accessed by law enforcement agencies
All CTRs	167,525,214	9,107,883 (5.4%)
Missing or less than \$10,000	21,156	1,258 (5.9%)
>\$10,000 to \$20,000	107,032,931	5,330,098 (5.0%)
>\$20,000 to \$30,000	25,368,030	1,367,897 (5.4%)
>\$30,000 to \$50,000	16,673,346	977,605 (5.9%)
>\$50,000 to \$72,880	6,455,989	408,232 (6.3%)
Over \$72,880	11,973,762	1,022,793 (8.5%)

Source: GAO analysis of Financial Crimes Enforcement Network data. $\,\mid\,$ GAO-25-106500

Table 35: Transaction Value of Currency Transaction Reports (CTRs) Accessed by Law Enforcement Agencies in BSA Portal, Fiscal Years 2014–2023, by Proportion of CTRs Accessed

	Number of CTRs accessed by law enforcement agencies
All CTRs	9,107,883
Missing or less than \$10,000	1,258 (0.0%)
>\$10,000 to \$20,000	5,330,098 (58.5%)
>\$20,000 to \$30,000	1,367,897 (15.0%)
>\$30,000 to \$50,000	977,605 (10.7%)
>\$50,000 to \$72,880	408,232 (4.5%)
Over \$72,880	1,022,793 (11.2%)

Source: GAO analysis of Financial Crimes Enforcement Network data. | GAO-25-106500

Table 36: Filer Type of Currency Transaction Reports (CTRs) Filed and Accessed by Law Enforcement Agencies in BSA Portal, Fiscal Years 2019–2023

	Number of CTRs filed in fiscal years 2019–2023	Number of CTRs accessed by law enforcement agencies
All CTRs	90,403,652	3,649,663 (4.0%)
Missing/unknown	8,051	47 (0.6%)
Casino/card club	8,277,569	456,856 (5.5%)
Depository institution	77,789,487	2,834,112 (3.6%)
Money services business	2,967,403	270,682 (9.1%)
Other	1,361,142	87,966 (6.5%)

Source: GAO analysis of Financial Crimes Enforcement Network data. | GAO-25-106500

Notes: Our analysis of CTRs by filer type covers fiscal years 2019–2023, which is the most recent and complete data capturing the type of financial institution filing the CTR. Because CTRs filed in more recent years were accessible through BSA Portal for less time than older CTRs, the proportion of CTRs accessed by law enforcement in this analysis may be lower, on average, than in our other analyses covering 2014–2023. The "other" category includes CTRs filed by securities and futures filers as well as filers that selected the "other" filer type option.

Table 37: Party Count of Currency Transaction Reports (CTRs) Filed and Accessed by Law Enforcement Agencies in BSA Portal, Fiscal Years 2014–2023

	Number of CTRs filed in fiscal years 2014–2023	Number of CTRs accessed by law enforcement agencies
All CTRs	167,525,214	9,107,883 (5.4%)
Missing or 0 parties	92,301	1,189 (1.3%)
1 to 5 parties	164,313,175	8,666,748 (5.3%)
6 to 50 parties	3,039,961	385,408 (12.7%)
51 to 500 parties	74,735	49,735 (66.6%)
Over 500 parties	5,042	4,803 (95.3%)

Source: GAO analysis of Financial Crimes Enforcement Network (FinCEN) data. | GAO-25-106500

Note: FinCEN defines the term party as the person(s) involved in the transactions. A party can be an individual or a business.

Table 38: Top 10 Industries by Two-Digit NAICS Code, Currency Transaction Reports (CTRs) Filed and Accessed by Law Enforcement Agencies in BSA Portal, Fiscal Years 2014–2023

	Number of CTRs filed in fiscal years 2014–2023 ^a	Number of CTRs accessed by law enforcement agencies
All CTRs	167,525,214	9,107,883 (5.4%)
Missing/unknown ^b	105,035,652	5,958,436 (5.7%)
1. Retail trade (NAICS 44)	26,298,149	1,187,374 (4.5%)
2. Accommodation and food services (NAICS 72)	9,368,602	345,718 (3.7%)
3. Administrative and support (NAICS 56)	5,466,441	285,151 (5.2%)
4. Finance and insurance (NAICS 52)	5,349,147	399,170 (7.5%)
5. Transportation and warehousing (NAICS 48)	4,845,451	264,001 (5.5%)
6. Wholesale trade (NAICS 42)	4,587,977	321,248 (7.0%)
7. Other services (NAICS 81)	3,921,874	198,178 (5.0%)
8. Arts, entertainment, and recreation (NAICS 71)	2,197,509	114,215 (5.2%)
9. Construction (NAICS 23)	2,176,065	135,473 (6.2%)
10. Manufacturing (NAICS 31)	1,577,799	85,392 (5.4%)
All Others	6,285,761	402,611 (6.4%)

Source: GAO analysis of Financial Crimes Enforcement Network data. | GAO-25-106500

^aThe sum of CTRs by industry is higher than the total number of CTRs filed because a single CTR may report on parties in more than one industry. A CTR is counted for each industry reported, but multiple parties in the same industry are counted only once.

^bThe North American Industry Classification System (NAICS) code is a noncritical (nonrequired) field and CTRs may be filed without reporting a NAICS code for any party. Filers are expected to complete noncritical fields if they have direct knowledge of the information.

Table 39: Top 10 Industries by Three-Digit NAICS Code, Currency Transaction Reports (CTRs) Filed

	Number of CTRs filed in fiscal years 2014–2023 ^a	Number of CTRs accessed by law enforcement agencies
All CTRs	167,525,214	9,107,883 (5.4%)
Missing/unknown ^b	105,078,134	5,958,436 (5.7%)
Food and beverage retailers (NAICS 445)	8,702,093	380,882 (4.4%)
2. Food services and drinking places (NAICS 722)	8,513,308	299,930 (3.5%)
3. Gasoline stations (NAICS 447)	7,504,655	274,471 (3.7%)
4. Administrative and support services (NAICS 561)	5,297,020	276,976 (5.2%)
5. Motor vehicle and parts dealers (NAICS 441)	4,484,701	232,652 (5.2%)
Credit intermediation and related activities (NAICS 522)	4,383,286	325,466 (7.4%)
7. Couriers and messengers (NAICS 492)	3,795,634	181,184 (4.8%)
8. Merchant wholesalers, durable goods (NAICS 423)	2,293,877	158,601 (6.9%)

	Number of CTRs filed in fiscal years 2014–2023 ^a	Number of CTRs accessed by law enforcement agencies
9. Merchant wholesalers, nondurable goods (NAICS 424)	2,202,856	153,875 (7.0%)
10. Miscellaneous store retailers (NAICS 453)	1,787,116	95,483 (5.3%)
All others	23,732,101	1,411,254 (6.0%)

Source: GAO analysis of Financial Crimes Enforcement Network data. | GAO-25-106500

^aThe sum of CTRs by industry is higher than the total number of CTRs filed because a single CTR may report on parties in more than one industry. A CTR is counted for each industry reported, but multiple parties in the same industry are counted only once.

^bThe North American Industry Classification System (NAICS) code is a noncritical (nonrequired) field and CTRs may be filed without reporting a NAICS code for any party. Filers are expected to complete noncritical fields if they have direct knowledge of the information.

Table 40: Presence of Business Parties on Currency Transaction Reports (CTRs) Filed and Accessed by Law Enforcement Agencies in BSA Portal, Fiscal Years 2014–2023

	Number of CTRs filed in fiscal years 2014–2023	Number of CTRs accessed by law enforcement agencies
All CTRs	167,525,214	9,107,883 (5.4%)
With no businesses	65,558,306	3,418,162 (5.2%)
With at least one business	101,966,908	5,689,721 (5.6%)

Source: GAO analysis of Financial Crimes Enforcement Network data. | GAO-25-106500

Note: For purposes of this analysis, a CTR reports on a business if the filer indicated that at least one party was an entity. CTRs reporting on sole proprietorships may report on the owner rather than the business entity. In that case the sole proprietorship is not counted as a business for purposes of this analysis.

Appendix V: Comments from the Financial Crimes Enforcement Network



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

Office of the Director

Washington, D.C. 20220

October 31, 2024

Michael Clements Director Financial Markets and Community Investment United States Government Accountability Office 441 G Street, NW Washington, DC 20548

Dear Mr. Clements:

Thank you for providing the Financial Crimes Enforcement Network (FinCEN) the opportunity to review the Government Accountability Office (GAO) draft report, "Currency Transaction Reports: Improvements Could Reduce Filer Burden While Still Providing Useful Information to Law Enforcement" (GAO-25-106500). FinCEN appreciated the opportunity to engage with GAO throughout the process and supports your report's efforts to analyze the importance of currency transaction reports (CTRs) to law enforcement and the effects of raising the CTR threshold.

Sections 6204 and 6205 of the Anti-Money Laundering Act of 2020 (AML Act) include provisions for the Secretary of the Treasury to review reporting requirements for CTRs, including thresholds and aggregation requirements, and propose changes to reduce any unnecessarily burdensome regulatory requirements. FinCEN is in the process of carrying out these requirements. In support of this and other reports required by the AML Act, FinCEN issued a Request for Information on December 15, 2021 titled "A Review of Bank Secrecy Act Regulations and Guidance" pursuant to AML Act Section 6216 (the "6216 RFI"). See 86 FR 71201 (Dec. 15, 2021).

FinCEN concurs with Recommendation One, which states that "The Secretary of the Treasury should ensure that the Director of FinCEN takes steps to eliminate CTR fields that are unnecessarily burdensome for filers and of little use to law enforcement. This could be done as part of FinCEN's AML Act review or through a different method." FinCEN is conducting the necessary analysis and consultations and will address CTR fields as part of its report under section 6204.

FinCEN concurs with Recommendation Two, which states that "The Secretary of the Treasury should ensure that the Director of FinCEN takes steps to simplify and clarify aggregation requirements. This could be done as part of FinCEN's AML Act review or through a different method." FinCEN is conducting the necessary analysis and consultations and will address CTR aggregation as part of its reports under section 6204 and 6205.

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Appendix V: Comments from the Financial Crimes Enforcement Network

FinCEN Comments Letter to Mr. Michael Clements

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FinCEN concurs with Recommendation Three, which states that "The Secretary of the Treasury should ensure that the Director of FinCEN establish a performance management process that defines performance goals and measures for monitoring the usefulness of CTRs." FinCEN considered CTRs to be included in an existing performance measure, as part of improving tracking of overall BSA data. GAO's previous review (GAO-22-105242) from May 2021 to August 2022 of BSA data use tracking by the Department of Justice (DOJ) for AML Act § 6201 reporting highlighted FinCEN's limited ability to assess and provide feedback on the value of BSA reports because "agencies collected these data inconsistently or not at all." The DOJ in its most recent 6201 report for FY2023 discussed the challenges of quantifying the use of BSA reporting, including CTRs. However, FinCEN would like to note that the process of implementing consistent and reliable tracking of BSA data generally is an ongoing effort that involves significant resources and time by all agencies with BSA data access. FinCEN is working hard to complete certain AML Act reviews of existing BSA data use, and consider more targeted measures that improve both tracking and usefulness of BSA data to law enforcement, including CTRs.

FinCEN concurs with Recommendation Four, which states that "The Secretary of the Treasury should ensure that the Director of FinCEN takes steps to reduce the number of CTRs filed that are not used by law enforcement, such as by raising the threshold or expanding criteria to allow for further exemptions. These actions should be informed by an analysis of the characteristics of CTRs that have been less likely to be accessed by law enforcement." FinCEN is conducting the necessary analysis and consultations to complete reports required under sections 6204, which will address exemptions, and 6205, which will address the CTR threshold.

We appreciate the role of GAO in providing oversight of our programs and look forward to working with GAO in the future. FinCEN is committed to full implementation of the AML Act to ensure that the United States maintains an effective and risk-based AML/CFT supervisory and regulatory regime.

Sincerely,

/s/

Jimmy Kirby Deputy Director

Appendix VI: Comments from the National Credit Union Administration



National Credit Union Administration -

October 30, 2024

SENT BY EMAIL

Michael E. Clements
Director, Financial Markets and Community Investment
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548
clementsm@gao.gov

Dear Mr. Clements:

We have reviewed your draft report entitled "Currency Transaction Reports: Improvements Could Reduce Filer Burden While Still Providing Useful Information to Law Enforcement." While there are no recommendations for the NCUA, we acknowledge the GAO's observations.

Thank you for the opportunity to review and comment on the draft report.

Sincerely,

Larry Fazio Executive Director

1775 Duke Street - Alexandria, VA 22314-3428 - 703-518-6400

Appendix VII: GAO Contact and Staff Acknowledgments

\wedge	\sim	0 1 1
(JA)	()	Contact

Michael E. Clements, (202) 512-8678 or clementsm@gao.gov

Staff Acknowledgments

In addition to the contact named above, Kevin Averyt (Assistant Director), Verginie Tarpinian (Analyst in Charge), Tracy Abdo, Padma Chirumamilla, Garrett Hillyer, Jill Lacey, Loren Lipsey, Ying Long, Alberto Lopez, Alec McQuilkin, Marc Molino, Dae Park, Seth Roca, Joshua Stick, and Farrah Stone made key contributions to this report.

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