

[First Look: Anti-Money Laundering and Counter-Terrorism Financing Modernization Act \(HR 4373, 115th Congress\)](#)

Modernizes and strengthens the United States anti-money laundering and counter-terrorism financing regime.

Updated last **March 8, 2018**

for the 11/13/2017 version of HR 4373.



WHAT IT DOES

The Anti-Money Laundering and Counter-Terrorism Financing Modernization Act ([AML and CTF Modernization Act](#)) would encourage financial institutions to share suspicious activity reports when money laundering or terrorism financing is suspected, and modernize the Treasury Department's Financial Crimes Enforcement Network. The bill modifies existing regulations as follows:

- Directs the Secretary of the Treasury to adjust the threshold for filing Currency Transaction Reports (CTR) to not less than \$30,000 within 1 year, and continue to make adjustments every 5 years. This would be the first time since 1972 the CTR reporting threshold has changed.
- Adjusts the threshold for filing Suspicious Activity Reports (SAR) to reflect changes in the Consumer Price Index (CPI) to the nearest multiple of \$1,000 from the date the original threshold was set.
- Requires the Secretary of the Treasury to authorize domestic financial institutions to share SARs with foreign branches or other affiliates.
- Requires the Secretary of the Treasury to establish a mechanism to communicate anti-money laundering (AML) and countering terrorism financing (CTF) priorities to financial institutions and federal financial regulators, and provide qualitative feedback on information shared by financial institutions with the Department of Treasury, including CTRs and SARs.

The bill also directs the Secretary of the Treasury to report to Congress on:

1. the potential for technologies to help detect and prevent money laundering and terrorist financing, including artificial intelligence and machine learning;
2. the costs and benefits of establishing a centralized database to help financial institutions prevent money laundering and terrorist financing;
3. actions that can be taken to streamline and improving reporting requirements under the AML regime;
4. how to further include law enforcement within the AML regime;
5. the utility of a single filing threshold for SARs as an alternative to varying thresholds, as currently in effect; and
6. the qualitative feedback mechanism for information shared by financial institutions.

The content for this First Look was adapted from [HR 4373](#) and a [summary](#) published by Rep. Edward Royce.

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