

March 4, 2025

The Honorable Barry Loudermilk
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Andy Barr
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Troy Downing
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Tim Moore
U.S. House of Representatives
Washington, D.C. 20515

Dear Representatives Loudermilk, Barr, Downing, and Moore:

On behalf of community banks across the country, with nearly 45,000 locations, I write to thank you for introducing the Financial Reporting Threshold Modernization Act (H.R. 1799), which would raise the currency transaction reporting (CTR) and Suspicious Activity Reporting (SAR) thresholds to \$30,000 and \$10,000 respectively and index the CTR threshold for inflation every five years prospectively. These updated thresholds would result in more targeted, useful information for law enforcement while allowing community banks to redirect resources toward serving their communities.

Current reporting thresholds under the Bank Secrecy Act are significantly outdated and capture far more transactions than originally intended. The CTR threshold of \$10,000 was set in 1972 and has not been adjusted since that time. Similarly, SAR thresholds have not been adjusted since becoming effective in 1992. CTR and SAR filings are a primary source of community bank compliance burden and expense, diverting resources that could be better directed toward community lending.

A recent [Government Accountability Office \(GAO\) report](#) required by the Anti-Money Laundering Act of 2020 found that:

- Law enforcement only accessed 5.4 percent of the 167 million CTRs in the BSA portal filed between 2014 and 2023.
- If adjusted for inflation, today's CTR threshold would be more than \$72,000.
- Using an inflation-adjusted threshold would have reduced the number of CTRs filed by at least 90 percent annually since 2014.

To address these findings, GAO recommended that Treasury work with FINCEN to reduce the number of unused CTRs by raising the reporting threshold. The Financial Reporting Threshold Modernization Act would effectively implement this GAO recommendation, relieve counterproductive, community bank regulatory burden, and allow community banks to better serve their customers and communities.

ICBA strongly supports the Financial Reporting Threshold Modernization Act, and we look forward to working with you to advance this important legislation.

Sincerely,

/s/

Rebeca Romero Rainey

President and CEO

CC: Members of the House Financial Services Committee