# Congress of the United States
## Washington, DC 20515

March 26, 2019

Kenneth Blanco, Director
Financial Crimes Enforcement Network (FinCEN)
P.O. Box 39
Vienna, VA 22183

Dear Director Blanco,

We write to request a briefing from FinCEN to learn more about actions the law enforcement bureau has taken to leverage artificial intelligence (AI) and machine learning (ML) in its investigative work and steps the bureau has taken to encourage collaboration among banks.

We applaud the multi-agency press release on October 3, 2018 to address instances in which certain banks and credit unions may enter into collaborative arrangements to share resources to manage their BSA/AML obligations more efficiently and effectively. Furthermore, we believe the multi-agency recent press release on December 3, 2018 will encourage financial institutions to explore innovative pilot programs for BSA/AML testing in partnership with private sector solutions.

The achievements of AI and ML in other compliance areas have proven the ability to mine data faster with more consistent accuracy at lower costs while detecting criminal patterns for evasion more quickly. We have become aware of public/private sector initiatives that use collaborative AI and ML automation technology to streamline fraud detection across multiple banks and credit unions.

During the Senate Banking Committee hearing on November 29, 2018, it was stated that the financial industry would benefit if FinCEN's superior expertise could be distilled down to the banks using advanced technology such as collaborative AI and ML. This would benefit banks in maintaining their BSA/AML obligations more efficiently and effectively while providing higher quality data to assist FinCEN's important work. This public-private partnership would yield a win for industry, law enforcement, and banks, including the following benefits:

- Sharing best practices for BSA/AML testing as a result of the participation of multiple banks, while also allowing continuous improvement in response to regulatory changes and the evolution of criminal activity.
- Improvements in testing coverage via automated, comprehensive testing with objective, consistent results instead of sample human testing.
- Provide higher quality actionable data for FinCEN investigations and a feedback mechanism to assist banks with improving the accuracy of their testing results.

Furthermore, as noted by Grovetta Gardiner, a senior official at the Office of the Comptroller of the Currency, "new technologies such as artificial intelligence (AI) and machine learning offer

banks opportunities to better manage their costs and increase the ability of their monitoring systems to identify suspicious activity, while reducing the number of false positive alerts and investigations."

Accordingly, we would appreciate an opportunity to learn more about how FinCEN can work with the prudential regulators to encourage such technological innovation.

We respectfully request that you or your staff provide a briefing on the actions FinCEN is taking to utilize AI and ML technology as part of its investigative work, the steps being taking to encourage collaboration among banks, and how FinCEN would participate in a collaborative AI initiative for BSA/AML compliance.

Thank you for your consideration of this request, and we look forward to the opportunity to discuss in more detail at your earliest convenience.
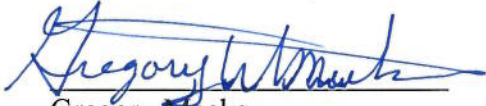
Sincerely,

Emanuel Cleaver, II
Chairman, National Security, International
Development and Monetary Policy
Subcommittee

Trey Hollingsworth
Member of Congress

Gregory Meeks
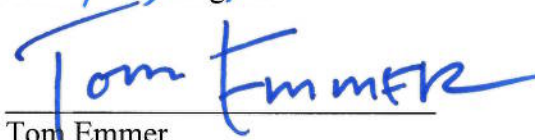Member of Congress

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David Scott
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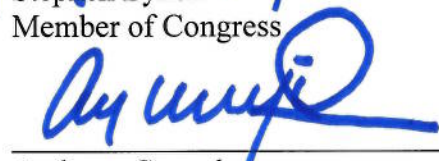Member of Congress

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