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## AML RECENT DEVELOPMENTS: WHAT PRACTITIONERS NEED TO KNOW

*Recent AML legislation includes the AML Act of 2020, the Corporate Transparency Act, and FinCEN's initiatives in this area. In this article, the authors discuss these developments and then turn to other aspects of the AML Act and its implementation. These include FinCEN's first set of government-wide priorities for AML and counter-terrorist financing; a pilot program on sharing SARs with affiliates; and AML issues in ransomware, decentralization, and microcap securities. Finally, they note recent enforcement actions, including a \$100 million fine levied on Bitmex, a digital assets entity.*

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The last few years have been landmarks for regulatory change and enforcement in the anti-money laundering (“AML”) space. The beginning of 2021 saw the enactment of the Anti-Money Laundering Act of 2020 (the “AML Act”), including the Corporate Transparency Act (the “CTA”), one of the most significant pieces of AML legislation since the USA PATRIOT Act of 2001.<sup>1</sup> During that same time period and since then, numerous regulators have issued a flurry of advisories and other guidance on how to implement AML regulations and contend with the increase of financial activities involving cryptocurrency. Additionally, different regulators have brought significant enforcement actions that demonstrate their regulatory priorities. Simultaneously, while not addressed herein, there have

been significant developments in the sanctions space, including sanctions against Russia following its invasion of Ukraine.

### CORPORATE TRANSPARENCY ACT

Undoubtedly, the CTA is one of the most significant aspects of the AML Act. The CTA creates a federal beneficial ownership registry which will require certain domestic and international corporate entities to file information with the Financial Crimes Enforcement Network (“FinCEN”), a bureau of the U.S. Treasury Department (“Treasury”). On December 7, 2021, FinCEN commenced its much-anticipated rulemaking process to implement the requirements of the CTA by issuing a notice of proposed rule-making soliciting public comments relating to the beneficial ownership information reporting provisions of the CTA (the “CTA

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<sup>1</sup> AML Act of 2020 (Division F of Pub. L. 116-283).

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