Banking and Finance Law Daily Wrap Up, BANK SECRECY ACT—FinCEN, Fed withdraw virtual-currency and international-transfer proposal, (Nov. 6, 2026)

Banking and Finance Law Daily Wrap Up

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The proposal would have lowered international-transfer thresholds from $3,000 to $250 for banks and nonbank financial institutions; withdrawal leaves the existing standard intact.

The Financial Crimes Enforcement Network (FinCEN) and the Federal Reserve Board have announced the withdrawal of their Oct. 27, 2020, proposal that would have lowered international-transfer information thresholds from $3,000 to $250 for banks and nonbank financial institutions and clarified virtual-currency coverage. The withdrawal leaves existing Bank Secrecy Act rules in place and takes effect upon its publication in the *Federal Register*, which is scheduled for Nov. 9, 2026.

Both proposed threshold reductions concerned transfers and transmittals that begin or end outside the United States (see *Banking and Finance Law Daily*, Oct. 26, 2020). The Recordkeeping Rule and Travel Rule collectively require banks and nonbank financial institutions to collect, retain, and transmit information on funds transfers and transmittals of funds of $3,000 or more. FinCEN and the Fed proposed lowering the Recordkeeping Rule's collection-and-retention threshold, while FinCEN proposed the Travel Rule reduction for information transmitted to other institutions in the payment chain. The proposal also would have revised the definitions of "payment order" and "transmittal order" to specify that the two rules apply to domestic and cross-border transactions involving convertible virtual currency (CVC) or any digital asset having legal tender status to a recipient. The agencies described this as a clarification of the meaning of "money," distinct from the international-only threshold reductions.

Comments on the CVC clarification were mixed, the agencies said. CVC-service companies and related trade associations generally opposed it, while some depository institutions, money services businesses, and related trade associations supported it.

The agencies said more than five years had passed since the proposal and that additional feedback would be useful before similar amendments. The joint notice says withdrawal provides certainty that "no final rule will be issued without an additional opportunity for public comment."

The agencies also cited what they described as significant CVC-industry developments, including maturing markets and emerging legal frameworks. They said any potential future CVC-related amendments should account for those changes. As an example, the notice cited the enactment on July 18, 2025, of a federal law establishing a regulatory framework for payment stablecoins.

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