

Congress of the United States
Washington, DC 20515

September 30, 2025

The Honorable Andrea Gacki
Director
Financial Crimes Enforcement Network
U.S. Department of the Treasury
1801 L Street, NW
Washington, D.C. 20036

Dear Director Gacki,

We support robust tools to combat money laundering and illicit finance, which are critical to maintaining the integrity of the financial system and protecting national security in the United States. We applaud the Financial Crimes Enforcement Network's (FinCEN) decision to delay the *Anti-Money Laundering Regulations for Residential Real Estate Transfers* rule to March 1, 2026. However, we remain concerned about the impact that this rulemaking will have on small businesses operating in our communities.

While well-intentioned, the rule as currently written would impose costly, complex, and impractical compliance obligations on small businesses in the real estate industry – many of whom lack the resources or infrastructure needed to meet these demands. More than 90 percent of title companies are small companies with fewer than five employees and less than \$1 million in annual revenue. FinCEN projects the rule will require 800,000 to 850,000 reports each year, at a cost of \$400 to \$663 million. That translates to \$500 to \$800 in new expenses for every covered transaction. For a small business that closes only a handful of transactions each week, this is a crushing new mandate.

The rule also requires these firms to collect and safeguard highly sensitive personal information, exposing small title companies to greater liability, legal costs, and cybersecurity risks. FinCEN has acknowledged these burdens were “undue” for other small businesses under the *Corporate Transparency Act*, yet it is now placing equally burdensome rules on local title companies without a clear explanation of the benefits.

Equally troubling, the industry still lacks the basic tools needed to comply with the rule. FinCEN has not finalized the reporting form or issued complete or clear guidance, leaving little time for companies to train staff and/or test systems before the deadline. Given that many real estate transactions close on 60-day timelines, title companies would need to begin screening transactions in less than four weeks, despite not yet knowing how to file the required information properly. Moving forward under these circumstances risks widespread non-compliance, confusion, and prohibitive costs.

Furthermore, we are concerned that the benefits of the rule remain speculative. FinCEN has claimed the rule will generate “intangible benefits worth over \$500 million per year”¹, but has yet to offer a concrete analysis to support that figure. Much of the information sought is already available from banks and other financial institutions, raising questions about the need for duplicative and costly collections by small businesses.

In your testimony before the House Financial Services Committee, you acknowledged the need for additional time and engagement. We urge FinCEN to act on that commitment.

Accordingly, we respectfully request that FinCEN:

1. Continue to delay implementation of the rule until the reporting form and guidance are finalized, and American small businesses have been given sufficient time to prepare and test compliance systems.
2. Host regional roundtables with small businesses, title companies, and real estate professionals before implementation, starting with the Congressional Districts of this letter’s signatories and then expanding to other regions across the country.

We urge FinCEN to delay implementation of the rule and work collaboratively with industry stakeholders to develop a more practical approach. This will help ensure that money-laundering efforts remain effective and targeted – without placing unworkable burdens on the small businesses that serve families in every community. Taking these steps will not weaken the fight against illicit finance but will strengthen it by promoting realistic, long-term compliance.

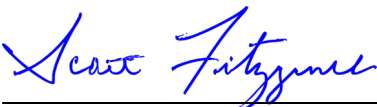
Sincerely,



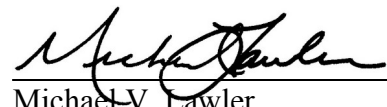
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¹ Financial Crimes Enforcement Network, *Anti-Money Laundering Regulations for Residential Real Estate Transfers*, Final Rule, 89 Fed. Reg. 58140–58258, Aug. 29 2024, <https://public-inspection.federalregister.gov/2024-19198.pdf>



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