



Financial Crimes Enforcement Network

31 CFR Parts 1010 and 1032

RIN: 1506-AB58 and 1506-AB69

Delaying the Effective Date of the Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers

AGENCY: Financial Crimes Enforcement Network (FinCEN), Treasury.

ACTION: Final rule.

SUMMARY: FinCEN is amending the Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) Program and Suspicious Activity Report (SAR) Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers (IA AML Rule) to delay the effective date by two years. As part of this delay, FinCEN is amending the date by which an investment adviser must develop and implement an AML/CFT program.

DATES: As of December 31, 2025, the effective date of the rule published September 4, 2024, at 89 FR 72156 is delayed until January 1, 2028. This rule is effective January 1, 2028.

SUPPLEMENTARY INFORMATION:

I. Introduction

In this final rule, FinCEN amends the effective date of the IA AML Rule¹ to delay the obligations of covered investment advisers (covered IAs) under the IA AML Rule from January 1, 2026, to January 1, 2028.

II. Background

A. IA AML Rule

¹ See U.S. Department of the Treasury (Treasury), FinCEN, *Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers*, 89 FR 72156 (Sept. 4, 2024).

On September 4, 2024, FinCEN published the IA AML Rule, which defines certain investment advisers as “financial institutions” under the Bank Secrecy Act (BSA).² The IA AML Rule requires covered IAs to establish AML/CFT programs, report suspicious activity, and keep relevant records, among other requirements.³ In the 2024 Investment Adviser Risk Assessment (IA Risk Assessment), Treasury described the illicit finance risks associated with the investment adviser sector that the IA AML Rule was designed to address, including that investment advisers may be misused by money launderers, terrorist financiers, or other actors who seek access to the U.S. financial system for illicit purposes and who threaten U.S. national security.⁴

B. IA AML Effective Date NPRM

On September 22, 2025, FinCEN proposed delaying the effective date of the IA AML Rule by two years (IA AML Effective Date NPRM) and amending 31 CFR 1032.210(c) of the IA AML Rule to reflect this delay.⁵ Under the IA AML Effective Date NPRM, all requirements set forth under the IA AML Rule were proposed to be effective on January 1, 2028. In the IA AML Effective Date NPRM, FinCEN assessed that delaying the effective date of the IA AML Rule would pose a number of advantages, including providing FinCEN an opportunity to review the IA AML Rule and, as applicable, ensure the IA AML Rule is effectively tailored. In response to the IA AML Effective Date NPRM, FinCEN received 22 comments. Submissions came from a variety of commenters, including industry trade groups, transparency organizations, law firms, non-profit organizations, financial advisory firms, and individual members of the public. Several comment letters supported the proposed rule, others opposed, and some, while in

² Pursuant to FinCEN’s authority under the BSA, it may define a business or agency as a “financial institution” if such business or agency “engages in any activity . . . determin[e]d by regulation to be an activity which is similar to, related to, or a substitute for any activity” in which a “financial institution” as defined by the BSA is authorized to engage. *See* 31 U.S.C. 5312(a)(2)(Y).

³ *See* IA AML Rule, 89 FR at 72274-78.

⁴ *See* Treasury, *2024 Investment Adviser Risk Assessment* (Feb. 1, 2024), <https://home.treasury.gov/system/files/136/US-Sectoral-Illicit-Finance-Risk-Assessment-Investment-Advisers.pdf>.

⁵ *See* Treasury, FinCEN, *Delaying the Effective Date of the Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers*, 90 FR 45361 (Sept. 22, 2025).

support of the proposed rule, raised issues regarding timing considerations in light of other anticipated future rulemakings. FinCEN also received comments on topics outside the scope of the IA AML Effective Date NPRM.

III. Discussion of Comments Received

A. Support for the Delay in Effective Date

Comments received. Several commenters strongly supported the two-year delay in implementation of the IA AML Rule, citing benefits to both investment advisers and FinCEN. Specifically, commenters stated that significant time and resources are needed to establish an AML compliance program. One of these commenters stated that building a compliant AML program is a complex, multi-year process that requires significant planning, budgeting, and coordination. Other commenters noted that rushing this implementation process will create inefficient and costly programs. A few commenters stated that delaying the effective date of the IA AML Rule will provide the time necessary for FinCEN to provide clarity on the rule in several important respects. One of these commenters stated that a two-year extension is a reasonable and appropriate amount of time for FinCEN to tailor the IA AML Rule to achieve FinCEN's objectives, while reducing where possible duplication and burden when there is little or no corresponding benefit. Another commenter stated that clarity is necessary for the industry to implement the requirements of IA AML Rule by January 1, 2028, and to reduce unnecessary costs without forgoing the intended benefits of the rule. This commenter explained that delaying the effective date will provide FinCEN with time to issue the guidance necessary to efficiently and effectively implement the IA AML Rule, in particular the application of the Section 312 special due diligence requirements, sharing of Suspicious Activity Report (SAR) filings among affiliates, and Section 314(b) information sharing.

Final rule. FinCEN has carefully considered commenters' views and agrees that delaying the effective date of the IA AML Rule from January 1, 2026, to January 1, 2028, is appropriate. The two-year delay will provide additional time for FinCEN to review the IA AML Rule and, as

applicable, ensure the IA AML Rule is effectively tailored to the diverse business models and risk profiles of types of firms within the investment adviser sector. Delaying the effective date will also provide investment advisers more time to come into compliance with the rule upon the revised effective date. FinCEN therefore adopts 31 CFR 1032.210(c) as proposed and extends the effective date of the IA AML Rule from January 1, 2026, until January 1, 2028.

B. Timing Considerations in Light of Other Rulemakings

Comments received. Several commenters that supported the two-year delay in implementation of the IA AML Rule expressed concern with regard to the timing of the potential revisions to the scope of the IA AML Rule and other rulemakings related to the IA sector, in particular the IA Customer Identification Program (CIP) rulemaking. Several commenters recommended that FinCEN reissue the IA CIP NPRM and IA AML NPRM concurrently to allow covered IAs to consider them in tandem and develop holistic, risk-based compliance programs.

Final rule. FinCEN has carefully considered each comment related to the timing of the potential revisions to the scope of the IA AML Rule and the timing of other rulemakings related to the IA sector and understands the concerns raised given the interrelatedness of the rulemakings. FinCEN intends to consider these timing issues during the rulemaking processes for any future IA-related rules to ensure appropriate coordination efforts and to reduce unnecessary costs and uncertainty.

C. Opposition to the Delay in Effective Date

Comments received. Several comment letters strongly opposed the two-year delay in effective date. Commenters from transparency organizations were especially concerned about the heightened risk of illicit finance if the IA AML Rule is delayed, and disputed the assertion that the current implementation date of January 1, 2026, provides insufficient time for compliance. Some commenters stated that the proposed delay in the implementation and enforcement of the IA AML Rule will have serious and measurable costs for U.S. national

security and public safety, global leadership, and private-sector stability. In particular, these commenters noted that gaps in U.S. AML coverage might be exploited by sanctioned actors, terrorist organizations, corrupt officials, and foreign adversaries, and argued that the longer these gaps remain, the more exploitation will occur. Some commenters stated that the current timeline already provides a sufficient implementation period, explaining that the IA AML Rule was finalized in 2024 with an effective date of January 1, 2026, and that there has been nearly two years of lead time, which they believe is more than adequate for investment advisers to design, test, and implement robust compliance programs. These commenters noted that many advisers already maintain elements of AML/CFT compliance, particularly those affiliated with broker-dealers, banks, or other financial institutions subject to existing AML requirements. The commenters argued that the proposed extension would therefore not materially improve industry readiness.

Final rule. FinCEN has carefully considered each comment in opposition to delaying the effective date of the IA AML Rule. As explained in the IA AML Effective Date NPRM, FinCEN is mindful that delaying the effective date may prolong the U.S. financial system's potential exposure to previously identified vulnerabilities and illicit finance risks associated with the IA sector. However, consistent with the Administration's deregulatory policies focused on reducing any unnecessary or duplicative regulatory burden on Americans, the Secretary, through FinCEN, has determined that the IA AML Rule should be reviewed to ensure it strikes an appropriate balance between cost and benefit. While the illicit finance risks associated with investment advisers remain, this review will allow FinCEN to ensure the IA AML Rule is consistent with the Administration's deregulatory agenda and is effectively tailored to the diverse business models and risk profiles of the investment adviser sector—while still adequately protecting the U.S. financial system and guarding against money laundering, terrorist financing, and other illicit finance risks. FinCEN also recognizes that extending the effective date of the

rule may help ease potential compliance costs for industry and reduce regulatory uncertainty while FinCEN undertakes a broader review of the IA AML Rule.

FinCEN has therefore declined to make any changes to the proposed effective date and retains the two-year extension to January 1, 2028.

D. Other Issues Raised by Commenters

Comments received. Commenters raised several issues that were not relevant to the IA AML Effective Date NPRM. Some explained why they believe registered investment advisers (RIAs) generally have limited control over client transactions. Other commenters provided reasons why the scope of investment advisers subject to the IA AML Rule should be narrowed. Some commenters recommended that FinCEN clarify certain aspects of the rule, in particular the scope of advisory services, reliance on third parties, risk-based AML/CFT program application, special due diligence for correspondent and private banking accounts, SAR filing obligations, SAR sharing and confidentiality, and funds transfer and travel rules.

Final Rule. FinCEN has reviewed the comments on issues that are not relevant to the IA AML Effective Date NPRM and is not adopting changes to this final rule as a result of these comments.

IV. Regulatory Impact Analysis

FinCEN has analyzed the anticipated economic impacts of this final rule as required under E.O. 12866, 13563, and 14192;⁶ the Regulatory Flexibility Act (RFA);⁷ the Unfunded Mandates Reform Act (UMRA);⁸ the Paperwork Reduction Act (PRA);⁹ and the Congressional

⁶ See E.O. 12866, *Regulatory Planning and Review*, 58 FR 51735 (Oct. 4, 1993); E.O. 13563, *Improving Regulation and Regulatory Review*, 76 FR 3821 (Jan. 21, 2011); E.O. 14192, *Unleashing Prosperity Through Deregulation*, 90 FR 9065 (Feb. 6, 2025).

⁷ See generally 5 U.S.C. 601 *et seq.*

⁸ Pub. L. No. 104-4, § 202, 109 Stat. 48, 64 (1995).

⁹ Paperwork Reduction Act of 1995, Pub. L. No. 104-13, 109 Stat. 163 (1995).

Review Act (CRA).¹⁰ The results of this analysis are discussed in the remainder of this section¹¹ and Section V¹² below.

A. Economic Considerations

The sum total of the combined economic effects of the final rule remains difficult to meaningfully quantify.¹³ Nevertheless, FinCEN anticipates that the two-year delay could reduce certain direct costs by enabling covered IAs to forgo select compliance-related activities and expenditures¹⁴ in calendar years 2026 and 2027. The total dollar value¹⁵ of this pro forma cost reduction has been estimated¹⁶ to be approximately \$1.45 billion dollars.¹⁷ While FinCEN received comment letters in response to the IA AML Effective Date NPRM that referred to this cost estimate, no comments provided actionable suggestions, data, or anecdotal evidence that would suggest the agency's analysis contained substantive miscalculations requiring revision. FinCEN is therefore retaining, without modification, the estimates in its original analysis of the expected change in pro-forma costs in this final rule.

1. Baseline Updates

¹⁰ 5 U.S.C. 801-808.

¹¹ See Section IV.A for analysis responsive to obligations under E.O. 12866, 13563, and 14192.

¹² See Section V for analysis responsive to obligations under the RFA, PRA, and UMRA.

¹³ As this final rule merely delays the effective date of the IA AML Rule, any potential changes to the scope of the IA AML Rule are outside the scope of this rule and any related economic analysis.

¹⁴ The proposed amendment to delay the effective date would not relieve covered IAs of BSA obligations that predate the effective date of the IA AML Rule, if any, or other obligations under the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 *et seq.*) (Advisers Act) with a regulatory nexus, if any. Therefore, expenditures on activities undertaken that also satisfy those obligations would not be considered affected by the proposed amendment.

¹⁵ As expected to accrue to covered IAs, select customers, and the federal government, estimated in 2022-value. See IA AML Rule, 89 FR at 72209-74.

¹⁶ See IA AML Rule, 89 FR at 72243, Table 5.26.

¹⁷ *Id.* The IA AML Rule originally projected aggregate expenses of \$800 million in 2026 and \$780 million in 2027 in 2022 U.S. dollar value. These expenditures were removed from the ten-year time series of anticipated costs and the remaining eight-year series discounted at a seven percent rate to estimate the expected cost savings of the proposed rule, including a two-year upfront delay. The choice to remove costs originally scheduled to accrue in years three (2026) and four (2027) of the forecast model of costs reflects the way in which start-up costs were originally built into the first three years of the estimates.

Since the publication of the IA AML Rule, the annual baseline population has incurred a net increase of 335¹⁸ expected covered IAs, of which six¹⁹ are expected to be definitionally small.²⁰ FinCEN additionally estimates that there would be an increase in the total baseline population of covered IAs' expected customers of approximately 10.2 million²¹ or 20.4 million²² that would not have been taken into account at the time of the IA AML Rule's initial publication. Of these projected new customers, for purposes of comparison to the IA AML Rule PRA baseline customers, approximately 1.5 million or 1.8 million would be expected to incur the information collection burden originally assigned to legal entities in the IA AML Rule PRA analysis,²³ which represents an increase of approximately 241,849 or 483,699 expected respondents in 2026 or 2028, respectively.²⁴

2. Expected Benefits and Costs

¹⁸ This estimate is based on the assumption that the proportion of new covered RIAs that would not qualify for an exemption has remained the same as in the IA AML Rule (approximately 91.4 percent). Data on the number of investment advisers (including 15,870 RIAs and 5,743 exempt reporting advisers) as of calendar year end 2024 was obtained from Industry Statistics – Investment Adviser Association 2025,

<https://www.investmentadviser.org/industry-snapshots/> (accessed Aug. 15, 2025). Since the publication of the IA AML Rule, the number of covered RIAs increased by 438 and the number of ERAs decreased by 103.

¹⁹ This estimate is based on the assumption that the proportion of new covered IAs that would be considered small for purposes of Regulatory Flexibility Analysis has remained the same as in the IA AML Rule (approximately 1.9 percent). See IA AML Rule, 89 FR at 72216, 72255-61.

²⁰ The IA AML Rule relies on the small entity definition under the Advisers Act rule adopted for purposes of the RFA. See IA AML Rule, 89 FR at 72255-56.

²¹ This estimate is derived from applying two years of the respective expected annual growth rates from the IA AML Rule regulatory impact analysis (IA AML Rule RIA) (9.5 percent per year for individuals and legal entities, 6 percent for pooled investment vehicles (PIVs)) to the baseline population of customers implied by Table 5.7 and Table 5.15. The IA AML Rule uses the term “customers” for those natural and legal persons who enter into an advisory relationship with an investment adviser. This is consistent with terminology in the BSA and FinCEN’s implementing regulations. FinCEN acknowledges that the Advisers Act and its implementing regulations primarily use the term “clients,” and so that term is used in specific reference to Advisers Act requirements; otherwise the term “customers” is used.

²² This estimate is derived from applying four years of the respective expected annual growth rates from the IA AML Rule RIA (9.5 percent per year for individuals and legal entities, 6 percent for PIVs) to the baseline population of customers implied by Table 5.7 and Table 5.15.

²³ In the IA AML Rule RIA, FinCEN assigned an expected information collection-related burden to the legal entity customers of covered IAs with limited baseline AML/CFT measures.

²⁴ These estimates reflect an applied annual average expected increase of 9.5 percent for two (four) years to the affected baseline population of affected legal entities. FinCEN notes that this growth rate exceeds the observed annual average growth in total (asset management only) RIA customers as reported in the IA 2025 snapshot (*see supra* note 34, Table 2B) over calendar years 2018-2024, which was approximately 8.1 (6.5) percent. To the extent that the growth rates estimated in the IA AML Rule exceed the realized growth rate in customer population for the majority of covered IAs, this would attenuate the expected impact of a delayed effective date on the increase in up-front or start-up costs.

If the effect of the final rule is conservatively interpreted to be strictly a shift by two years of a cost profile that would otherwise continue into all future time periods, then the rule's primary effect on economic benefits and costs would generally be attributable to the unrealized costs in 2026 and 2027 and the forgone benefits the implemented regulations would have otherwise provided in those two years.²⁵ This implies substantial savings in 2026 and 2027, cost increases associated with delayed ramp-up in 2028, and minor effects starting in 2029. Applying discount rates of seven and three percent over a ten-year period, the net present value of the anticipated cost savings are approximately \$1,453.63 million and \$1,523.60 million, respectively. This corresponds to annualized savings of \$183.01 million at a seven percent discount rate and \$153.06 million at a three percent discount rate.²⁶ FinCEN recognizes, however, that this conceptualization of costs may not fully account for costs or benefits of compliance with other regulations that implement AML/CFT program and SAR filing requirements.

3. Alternatives

In partial fulfillment of its obligations under statutory authorities, FinCEN considered several alternatives to the final rule amendment.

a. Status Quo

FinCEN is mindful that the proposed amendment to delay the effective date may prolong the U.S. financial system's exposure to previously identified vulnerabilities and illicit finance risks associated with the investment adviser sector.²⁷ At the same time, the IA AML Rule

²⁵ See *supra* note 5, Section IV.B.

²⁶ FinCEN expects that some aspects of this and other estimates of cost reductions could be overstated because they do not take into account that some expenditures assigned to effective year 1 have already occurred and are not reversible or would not be cost-free to reverse. For example, to the extent that a covered IA may have already reviewed their current policies and procedures to assess the need for revisions (*i.e.*, gap analysis) or already undertaken steps to modify those policies and procedures accordingly, the cost savings of regulatory delay would be overestimated. Similarly, if it would become necessary to retroactively conform representations to covered IAs' customers about an IA's AML/CFT related policies and procedures where disclosure materials have already been updated, but implementation would be paused by the proposed delay, the estimated changes in costs presented here would not include this newly introduced potential retrofitting cost and would consequently overstate the reduced burden proportionately. Cost reductions may further be overstated to the extent that covered IAs opt to commence voluntary compliance with AML/CFT program requirements in advance of the proposed delayed effective date.

²⁷ See *supra* note 4.

imposes costs that, given other concurrent regulatory changes and uncertainties, may now be higher than those identifiable at the time of the IA AML Rule's initial promulgation. FinCEN has weighed these potential costs to covered IAs, their customers, and the federal government against the previously identified risks and assesses that, in contrast to maintaining the status quo effective date of January 1, 2026, a two-year delay more appropriately balances trade-offs between probable risks and costs.

b. Other Alternatives

FinCEN considered other approaches to limiting the near-term costs incurred by covered IAs and their customers while operationalizing the IA AML Rule. FinCEN considered proposing a delayed effective date that would be connected with, or conditioned on, the effective date of one or more other rules that may impact the regulatory obligations of covered IAs. However, FinCEN concluded that delaying in a manner that is conditional on other regulatory effective dates may lead to uncertainty and have less than the desired magnitude of impact in reducing costs and, as a result, the costs of the potential harms from this approach outweigh those associated with a two-year delay.

In addition, when a rule may potentially affect small entities with greater relative economic impact, it is customary to consider potential accommodations for them, like additional time to conduct the full suite of changes to daily operations necessary for compliance. At the same time, the agency must consider if such accommodations would meaningfully benefit small entities without unduly undermining the objectives that necessitated regulation. In connection with this rule, FinCEN considered affording an additional year delay to covered IAs that would qualify as "small" under the categories defined by the RFA.²⁸ As in the IA AML Rule, FinCEN again concluded that any alternative that affords differential compliance requirements is not appropriate at this time.²⁹ Moreover, FinCEN estimated that to successfully implement a regime

²⁸ See 5 U.S.C. 601(3)-(6).

²⁹ See IA AML Rule, 89 FR at 72260-61.

that requires recorded documentation that one or more parties meet the eligibility criteria for a temporary waiver of requirements is unlikely to be substantially less costly than the alternative compliance regime, and thus both would not meaningfully reduce costs and would unequivocally reduce the expected benefits relative to the proposed rule. For these reasons FinCEN did not elect to propose or afford additional time to affected small entities.

B. Executive Orders 12866, 13563, and 14192

This rule was deemed “Economically Significant” by the Office of Management and Budget’s (OMB’s) Office of Information and Regulatory Affairs (OIRA) because it meets the criteria at E.O. 12866 subsection 3(f)(1).³⁰ Accordingly, the forgoing analysis was conducted because it is expected to result in effects beyond this threshold.

This action is considered an E.O. 14192 deregulatory action,³¹ estimated to generate \$88.88 million in annualized cost savings at a 7 percent discount rate when discounted relative to year 2024, over a perpetual time horizon.

V. Compliance with Other Authorities

A. Regulatory Flexibility Act

Pursuant to the RFA, FinCEN certifies that the final rule will not have a significant economic impact on a substantial number of small entities, and consequently that further analysis under the RFA is not necessary.³²

Based on the analysis in the IA AML Rule, small covered IAs constitute less than two percent of the population of covered IAs.³³ Furthermore, using numbers from the updated baseline in this notice in addition to the IA AML Rule RIA, FinCEN continues to estimate that

³⁰ Per E.O. 12866, if a regulatory action is expected to result in a rule that would have an annual effect on the economy equal to or greater than \$100 million (*see* 58 FR at 51740-41; 76 FR at 3822.), a regulatory impact analysis is required.

³¹ *See* OMB, *Guidance Implementing Section 3 of Executive Order 14192, Titled “Unleashing Prosperity Through Deregulation,”* M-25-20 (Mar. 26, 2025), Q4 (“What is a ‘EO 14192 deregulatory action’”), available at <https://www.whitehouse.gov/wp-content/uploads/2025/02/M-25-20-Guidance-Implementing-Section-3-of-Executive-Order-14192-Titled-Unleashing-Prosperity-Through-Deregulation.pdf>.

³² *See* 5 U.S.C. 605.

³³ Small covered IAs were estimated to constitute approximately 1.9 percent of covered IAs in the IA AML Rule. IA AML Rule, 89 FR at 72216.

small covered IAs constitute less than three percent of small investment advisers (small IAs).³⁴ Therefore, even if all the small IAs affected by the proposed rule were conclusively determined to be significantly impacted, they would still fall short by a full order of magnitude of comprising a “substantial number” either as a percentage of the total population of covered IAs or as a percentage of the total population of small IAs.

Certain commenters expressed concern that FinCEN’s analysis uses an inappropriate threshold to define small IAs. FinCEN considered these arguments, but for reasons previously discussed in greater detail,³⁵ does not believe that using the commenters’ proposed definition is appropriate at this time, particularly as part of a rulemaking that only delays implementation of IA AML Rule by two years.³⁶

B. Paperwork Reduction Act

The substance of this rule pertains to amending the IA AML Rule exclusively with respect to the effective date. The PRA analysis in the IA AML Rule was originally constructed to be generally insensitive to potential changes in the timing of implementation.³⁷ As such, there is no incremental PRA burden associated with this final rule, and no modifications to previous burden estimates are required.

C. Unfunded Mandates Reform Act

Pursuant to the UMRA, FinCEN considered whether the final rule is likely to result in an incremental expenditure of \$187 million or more annually by State, local, and Tribal

³⁴ The updated baseline population of small covered IAs is estimated to be 391 (385 from the IA AML Rule RIA baseline + 6 from the NPRM baseline). *See* IA AML Rule, 89 FR at 77215-16. The IA AML Rule estimated that the total population of small IAs was 13,430 in 2023, meaning at the time the IA AML Rule was originally published the proportion of small covered IAs was approximately 2.9 percent of all small IAs. FinCEN estimates that because 391/13,430 is also approximately 2.9 percent and that any expected increase in the total population of small IAs since 2023 would have the effect of increasing the denominator (lowering the ratio of covered small IAs to all small IAs), it may reasonably continue to expect that the proportion of small IAs affected by this NPRM remains near or below three percent.

³⁵ 89 FR at 72255.

³⁶ Election to make use of an alternative definition of “small” for purposes of RFA analysis generally requires rulemaking that is subject to notice and comment, a process that would, by nature of the time necessary to complete, delay the IA AML Effective Date rulemaking beyond the effective date it would delay.

³⁷ *See* IA AML Rule, 89 FR at 72261-74.

governments or by the private sector in any given year.³⁸ As in the IA AML Effective Date NPRM, FinCEN maintains that further analysis under the UMRA is not required.³⁹

One commenter expressed concern about how FinCEN reached that conclusion. The commenter suggested that FinCEN considered only the near-term expenditure decreases a delayed effective date would provide and did not account for how those expenditures might instead accrue in a later year. As explained in the IA AML Effective Date NPRM, FinCEN's expenditure estimates are not limited to any particular year, but rather account for potential costs associated with both rule implementation and ongoing compliance whenever the IA AML Rule takes effect. Consequently, FinCEN declines to reconsider its UMRA determination.

VI. Effective Date

This rule is effective upon publication in the *Federal Register*. The original effective date of the IA AML Rule was January 1, 2026, which is fewer than 30 days after this rule's publication in the Federal Register. Under the Administrative Procedure Act (APA), codified at 5 U.S.C. 553(d), a 30-day delayed effective date is required, except for “(1) a substantive rule which grants or recognizes an exemption or relieves a restriction; (2) interpretative rules and statements of policy; or (3) as otherwise provided by the agency for good cause found and published with the rule.” FinCEN finds good cause under 5 U.S.C. 553(d)(3) to make this rule effective immediately, because a 30-day delayed effective date is unnecessary. The purpose of the 30-day delayed effective date is to “give affected parties a reasonable time to adjust their behavior before the final rule takes effect.” *Omnipoint Corp. v. Fed. Comm'n Comm'n*, 78 F.3d 620, 630 (D.C. Cir. 1996). The parties affected by this rule, however, do not need time to adjust their behavior because the rule does not impose any new obligations on them. On the contrary,

³⁸ The U.S. Bureau of Economic Analysis reported the annual value of the gross domestic product (GDP) deflator in 1995 (the year in which UMRA was enacted) as 66.939, and 2024 as 125.230. See U.S. Bureau of Economic Analysis, “Table 1.1.9. Implicit Price Deflators for Gross Domestic Product” (accessed Aug. 20, 2025). Thus, the inflation adjusted estimate for \$100 million is 125.230 divided by 66.939, multiplied by 100, or \$187.080 million.

³⁹ Pursuant to 2 U.S.C. 1532.202(c), “[a]ny agency may prepare any statement required under subsection (a) in conjunction with or as a part of any other statement or analysis, provided that the statement or analysis satisfies the provisions of subsection (a).” FinCEN intends for the analysis provided in Section IV to satisfy the requirements in 2 U.S.C. 1532.202(a).

this rule gives affected parties additional time to adjust their behavior to the requirements of the IA AML Rule. For the same reasons, 5 U.S.C. 553(d)(1) also applies.

Similarly, pursuant to the Congressional Review Act (CRA), OIRA has designated this rule a “major rule,” for purposes of Subtitle E of the Small Business Regulatory Enforcement and Fairness Act of 1996 (also known as the Congressional Review Act or CRA).⁴⁰ Under section 801 of the CRA, a major rule generally may take effect no earlier than 60 days after the rule is published in the *Federal Register*.⁴¹ Notwithstanding this requirement, section 808(2) of the CRA allows agencies to dispense with the requirements of section 801 when the agency for good cause finds that such procedure would be impracticable, unnecessary, or contrary to the public interest. If the agency finds such good cause, the rule shall take effect at such time as the agency promulgating the rule determines.⁴² Pursuant to section 808(2) and for the reasons discussed above, FinCEN for good cause finds that delaying the effective date of this rule is unnecessary and that this rule should be effective upon publication in the *Federal Register*.

List of Subjects

31 CFR Part 1010

Administrative practice and procedure, Anti-money laundering, Banks, Money laundering, Reporting and recordkeeping requirements, Suspicious transactions, Terrorist financing.

31 CFR Part 1032

Administrative practice and procedure, Anti-money laundering, Banks, Banking, Brokers, Brokerage, Investment advisers, Money laundering, Mutual funds, Reporting and recordkeeping requirements, Securities, Small business, Suspicious transactions, Terrorist financing.

Authority and Issuance

⁴⁰ See 5 U.S.C. 804(2).

⁴¹ 5 U.S.C. 801(a)(3).

⁴² 5 U.S.C. 808(2).

For the reasons stated in the preamble, FinCEN delays the effective date of the rule published September 4, 2024, at 89 FR 72156, until January 1, 2028, and amends 31 CFR part 1032 as follows:

PART 1032—RULES FOR INVESTMENT ADVISERS

1. The authority citation continues to read as follows:

Authority: 12 U.S.C. 1829b and 1951-1959; 31 U.S.C. 5311-5314 and 5316-5336; title III, sec. 314, Pub. L. 107-56, 115 Stat. 307.

2. Revise § 1032.210(c) to read as follows:

§ 1032.210 Anti-money laundering/countering the financing of terrorism programs for investment advisers.

* * * * *

(c) *Effective date.* An investment adviser must develop and implement an AML/CFT program that complies with the requirements of this section on or before January 1, 2028.

Andrea M. Gacki,
Director,
Financial Crimes Enforcement Network.