

Media Advisory: Under Secretary of the Treasury Brian E. Nelson to Travel to Washington and California

January 11, 2023

WASHINGTON – During the week of January 9th, Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson will travel to Seattle, Washington and San Francisco and San Diego, California. While on the West Coast, he will meet with the private sector to discuss illicit finance and financial inclusion. Under Secretary Nelson will discuss ways to reduce de-risking that results in the indiscriminate loss of financial access for entire categories of customers – rather than assessing risks and potential for mitigation in a targeted way – and how to mitigate the impact it has on diaspora communities, certain kinds of small businesses, and humanitarian organizations.

Under Secretary Nelson’s trip reflects the Biden-Harris administration’s priority to shape a safer, more transparent, and more accessible financial system, while at the same time maintaining robust frameworks to protect the U.S. financial system from illicit actors and bolstering national security. Striking the appropriate balance between these two important objectives is a critical part of making the U.S. anti-money-laundering (AML) framework effective. In particular, the administration places a high priority on addressing de-risking, as it not only hurts certain communities but can pose a national security risk by driving financial activity outside of regulated channels.

The foundation of U.S. AML and sanctions regimes is the risk-based approach, which calls for financial institutions to assess their money laundering, terrorist financing, and sanctions risks as well as their ability to mitigate, identify, and address such risks and allocate compliance resources accordingly. In the coming weeks, Treasury will release its National De-Risking Strategy with recommendations to tackle these challenges.

Ahead of the report’s release, in Seattle and San Francisco Under Secretary Nelson will meet with community banks and money services businesses (MSBs), including those that serve diaspora communities affected by de-risking, to hear their perspectives. He will also meet w

technology companies to discuss innovations that can expand financial inclusion and equitable access to financial services, as well counter illicit finance.

Under Secretary Nelson will also travel to San Diego to support Treasury's ongoing work to combat drug trafficking, particularly the illegal fentanyl trade, as well as human smuggling and human trafficking.

SEATTLE

On Monday, January 9th, Under Secretary Nelson will meet with members of the Independent Community Bankers of America and the Community Bankers of Washington.

On Tuesday, January 10th, Under Secretary Nelson will participate in a de-risking roundtable hosted by the office of Congressman Adam Smith with MSBs and the Washington State Department of Financial Institutions. This meeting is closed press, but Under Secretary Nelson will be available for interviews afterwards on-site. Email press@treasury.gov to arrange an interview.

SAN FRANCISCO

On Wednesday, January 12th and Thursday, January 13th, Under Secretary Nelson will meet with technology companies to discuss financial innovation and ways to leverage new technologies to protect the U.S. financial system from abuse while advancing financial inclusion, as well as members of the Independent Community Bankers of America and the California Community Banking Network.

SAN DIEGO

On Friday, January 14th, Under Secretary Nelson will meet with federal law enforcement partners to discuss Treasury's ongoing work to combat drug trafficking, particularly the illegal fentanyl trade, as well as human smuggling and human trafficking.



