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One Hundred Eighteenth
Congress of the United States
House of Representatives

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August 16, 2024

Andrea Gacki
Director
Financial Crimes Enforcement Network
U.S. Department of the Treasury
P.O. Box 39
Vienna, VA 22183

Director Gacki:

As Chairman of the Committee on House Administration (“the Committee”), which has broad oversight of our nation’s federal elections¹, I write to you to raise an urgent concern regarding potential illicit election funding, possibly by foreign actors. Negligent identity security practices involving the use of credit, prepaid, and gift cards for political donations could enable bad actors to circumvent laws designed to protect the integrity of our elections. As the lead federal agency tasked with safeguarding our financial system from abuse, I hope to bring these dangerous practices to the attention of the Financial Crimes Enforcement Network (“FinCEN”) as it is your responsibility to combat all illicit finance risks.

I have appreciated FinCEN speaking with committee staff in the past on this issue. However, in those conversations, it became clear that FinCEN has not provided the necessary guidance to financial institutions in regard to potential illicit campaign contributions. To that end, I ask that you closely investigate this issue and work to empower financial institutions with the guidance necessary to disrupt this illicit activity. I am also requesting a briefing to ensure committee staff and other interested stakeholders are informed on FinCEN’s ongoing oversight work with respect to these risks.

As you may know, the Committee has learned that some entities, such as ActBlue², have accepted credit card donations without requiring a CVV, and have also accepted gift card and prepaid card donations. This practice is abnormal and invites the risk of straw donors making

¹ Rules of the United States House of Representatives, Rule X(k)(12).

² ActBlue is a political action committee and operates as a conduit for most Democratic candidates and committees, which means donations made through ActBlue are considered individual donations to these other groups.

illicit contributions on behalf of foreign individuals. This is not only illegal³; it undermines confidence in the integrity of our political process.

Various types of financial institutions are involved in facilitating these transactions. It is imperative that they have the tools to avoid facilitating illicit activity and that FinCEN is closely tracking potential abuses. We ask that you provide a briefing by September 13, 2024, in which you are prepared to discuss the following questions, at a minimum:

1. What specific anti-money laundering (AML) authorities does FinCEN have over credit card issuers and networks?
2. Has FinCEN provided any guidance to financial institutions, specifically acquiring banks that receive card payment after the processor completes their work, outlining what may constitute suspicious activity relating to illicit campaign contributions?
3. Does FinCEN currently have any regulations that require financial institutions to file Suspicious Activity Reports (SARs) if they suspect possible illicit donation activity, and particularly gift card or prepaid credits cards purchased in foreign countries?
4. How does FinCEN coordinate with credit card issuers and networks to ensure that foreign actors are not violating federal law?
5. How does FinCEN coordinate with credit card issuers and networks to ensure that U.S. citizens and lawful permanent residents are not violating federal law?
6. How does FinCEN work with financial institutions, most specifically credit card issuers and networks, to prevent identity theft particularly the illicit use of the identity of another person who appears to have chosen to donate to a political committee?
7. Was FinCEN previously aware of the multitude of risks associated with political committees accepting gift and other prepaid card donations?
 - a. If FinCEN was aware, what steps have been taken to mitigate these risks?
8. What is FinCEN doing to empower financial institutions to prevent the misuse of the financial system for illicit campaign activity?
 - a. Is new guidance forthcoming in light of this urgent risk?
9. Can FinCEN participate in classified briefings to learn and then provide any information on which countries may be involved in illegal campaign financing through the methods described in this letter?
 - a. Similarly, are any political committees especially at risk due to heightened illicit campaign contribution risks?

Thank you again for your efforts to safeguard our financial system. Please contact the Committee's General Counsel T. March Bell at March.Bell@mail.house.gov or call the Committee at 202-225-8281 to coordinate the requested briefing as soon as possible.

³ 52 U.S.C. §§ 30121, 30122. However, it is not unlawful for political committees to accept donations with gift or other prepaid cards.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Steil". The signature is fluid and cursive, with the first letter of the first name being a large, stylized "B".

Bryan Steil
Chairman
Committee on House Administration

CC: The Honorable Martin Gruenberg, Chairman, Federal Deposit Insurance Company
The Honorable Jay Powell, Chairman, Board of Governors of the Federal Reserve System
The Honorable Michael Hsu, Acting Comptroller of the Currency, Office of the Comptroller of
the Currency
The Honorable Todd Harper, Chairman, National Credit Union Administration