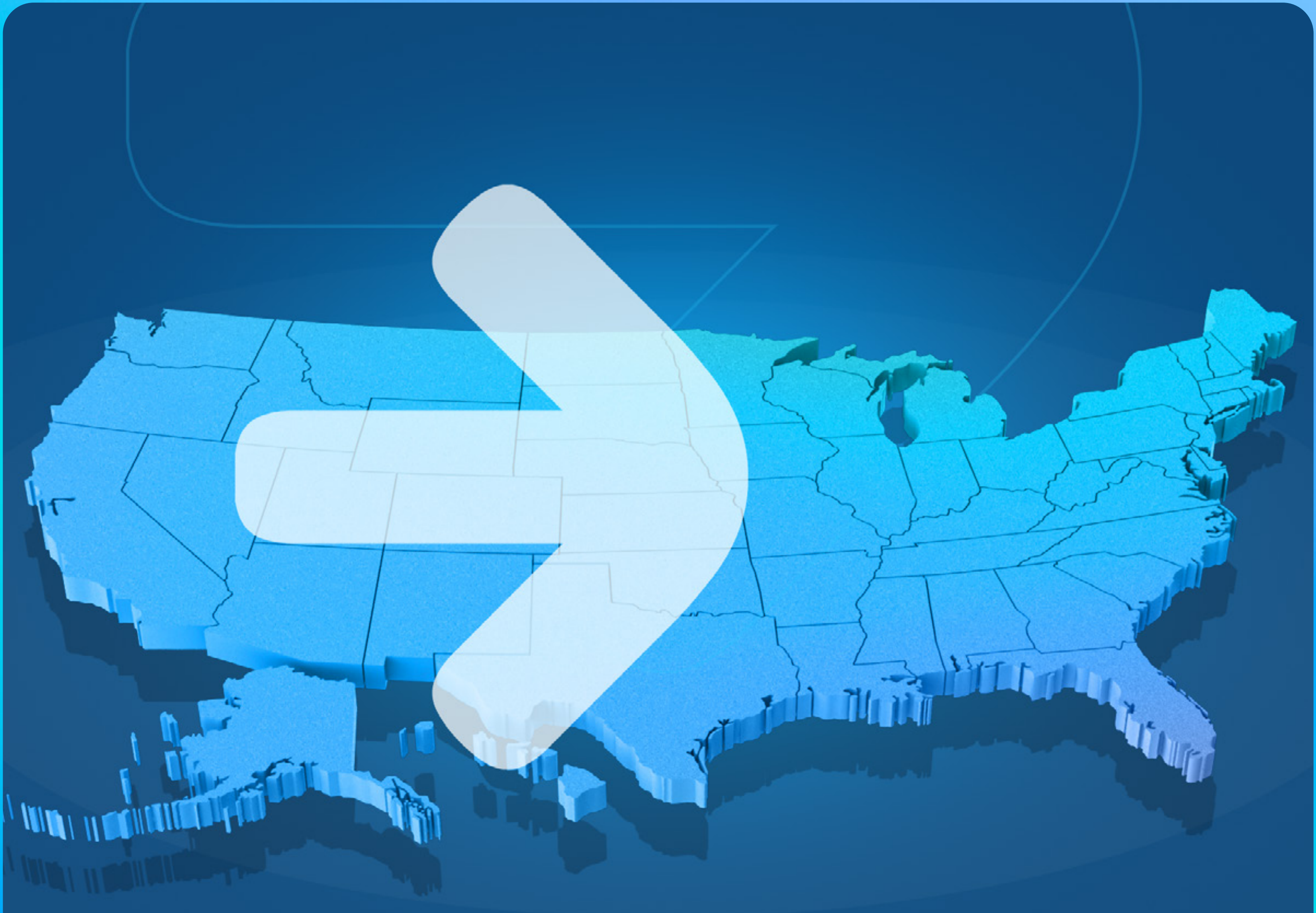
NICE Actimize

Insights Article

NICE Actimize Perspectives on FinCEN's 2026-0034 NPRM

Redefining AML Effectiveness



By Ted Sausen, Director, AML SME

A Defining Moment for AML Effectiveness

NICE Actimize had the opportunity to comment on FinCEN's Notice of Proposed Rulemaking (NPRM), published in April 2026, regarding reforms to Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) programs.

FinCEN's NPRM represents a defining moment for AML/CFT compliance. By shifting from prescriptive, checklist-based requirements to an effectiveness-driven, risk-based framework, regulators are signaling a long-overdue transformation - one that aligns closely with how modern financial crime operates today.

At NICE Actimize, we strongly support this evolution. However, to fully realize the NPRM's intent, two foundational capabilities must be elevated and explicitly enabled to achieve true AML effectiveness:

1. Advanced analytics and artificial intelligence (AI)
2. Scalable, real-time interbank information sharing

From Compliance to Outcomes: A Necessary Shift

The NPRM prioritizes a simple but powerful question: Are AML programs producing meaningful outcomes for law enforcement?

This outcome-oriented mindset is critical, but it fundamentally changes what is required from financial institutions (FIs). Detection of sophisticated financial crime, particularly activity involving multiple entities and jurisdictions, demands capabilities far beyond traditional rules-based monitoring. Static systems cannot keep pace with dynamic threats. To meet this new standard, institutions must adopt technologies capable of:

- Detecting previously unknown typologies
- Surfacing network-based financial crime patterns
- Reducing false positives while improving investigator efficiency

This is precisely where NICE Actimize has been investing, delivering AI-driven, intelligence-led compliance solutions that help institutions move from reactive detection to proactive risk identification.

Why AI and Advanced Analytics Must Be Explicitly Endorsed

While the NPRM encourages innovation, the industry still faces hesitation driven by regulatory ambiguity. Many institutions remain cautious about expanding AI adoption due to perceived supervisory risk. We believe FinCEN has a critical opportunity to remove this barrier.

Explicit regulatory recognition should:

- Affirm that AI and advanced analytics are expected components of modern AML programs
- Clarify that responsible deployment will not increase enforcement risk
- Actively encourage the shift toward adaptive, intelligence-driven systems

At NICE Actimize, we see firsthand that institutions deploying machine learning, network analytics and anomaly detection are achieving material improvements in detection quality and operational efficiency. Regulatory clarity would help accelerate this progress across the industry.

Modernizing 314(b): Enabling Real-Time Intelligence Sharing

Financial crime is inherently networked and often spans multiple institutions. Yet today's information-sharing frameworks, particularly Section 314(b), remain largely reactive and investigation-driven. This creates a fundamental gap. By the time institutions collaborate, the activity has already occurred, and the illicit actors have moved on.

To align with an effectiveness-based approach, information sharing must evolve from reactive collaboration to real-time, intelligence-driven exchanges embedded directly within detection workflows. NICE Actimize advocates expanding the framework to allow institutions to:

- Embed external intelligence at the point of detection by integrating counterparty risk signals directly into transaction monitoring and alerting. This would improve prioritization and accelerate investigative response.
- Share behavioral, non-identifying risk signals, such as expected activity profiles, behavioral anomalies and customer classification attributes. This approach enables collaboration on patterns, not just suspects, dramatically improving early detection.

The Case for a Safe Harbor

One of the most critical barriers to effective collaboration is legal and supervisory uncertainty. Without explicit protections, institutions will continue to limit sharing to narrow use cases, undermining the NPRM's goals.

We recommend that FinCEN establish a clear safe harbor that covers pattern- and behavior-based information sharing, not just known suspects. The framework should protect both data providers and recipients, provided they adhere to documented governance and privacy requirements. This would unlock the full potential of network-level financial crime detection.

To operationalize this vision, the industry must move toward automated, standardized and privacy-conscious data exchange. Achieving this will require common data schemas, potentially API-based data sharing frameworks and appropriate privacy protections.

Connecting Analytics, Risk and Regulatory Expectations

The NPRM's emphasis on risk-based resource allocation is powerful, but only achievable with the right infrastructure.

By combining advanced analytics with collaborative intelligence, institutions can continuously reassess risk across evolving typologies, detect activity spanning multiple entities and jurisdictions, and dynamically adjust monitoring and controls in real time.

Together, these capabilities enable a fundamental shift from institution-centric compliance to a networked risk management environment.

Governance and Innovation: Building Confidence

To support adoption, regulatory guidance should also address expectations and transparency, and the evaluation of program effectiveness based on measurable outcomes. In addition, regulators should encourage pilot programs, foster industry collaboration initiatives and maintain regular dialogue between regulators and technology providers.

Together, these measures would help FIs innovate with greater confidence while supporting responsible adoption and stronger regulatory alignment.

A Defining Opportunity for the Industry

FinCEN's NPRM marks an important milestone in modernizing AML compliance. But achieving its full promise requires closer alignment between regulation and technology.

We believe the path forward is clear:

- AI and advanced analytics must be recognized as foundational
- Information sharing must evolve to real-time, intelligence-driven collaboration
- Regulatory clarity must empower, not constrain, innovation

By embracing these principles, the industry can move beyond compliance requirements and toward true financial crime prevention at scale.

Discover how NICE Actimize helps FIs modernize AML programs through AI-driven analytics and intelligence-led detection.

Learn more

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Ted Sausen is a Subject Matter Expert within the NICE Actimize AML Line of business. His role focuses on ensuring the Actimzie AML technology solutions align with regulator expectations and the needs of the customer. He has over 25 years of experience implementing global enterprise solutions across multiple industries including high tech, financial, transportation and manufacturing.

About NICE Actimize

As a global leader in artificial intelligence, platform services, and cloud solutions, NICE Actimize excels in preventing fraud, detecting financial crime and supporting regulatory compliance. Over 1,000 organizations across more than 70 countries trust NICE Actimize to protect their institutions and safeguard assets throughout the entire customer lifecycle. With NICE Actimize, customers gain deeper insights and mitigate risks. Learn more at www.niceactimize.com.