has been given an opportunity to be heard. If you are in the audience and have not been scheduled to speak and wish to do so, you will be allowed to speak after those who have been scheduled. We will end the hearing after everyone scheduled to speak and others present in the audience who wish to speak, have been heard.

If only one person requests an opportunity to speak, we may hold a public meeting rather than a public hearing. If you wish to meet with us to discuss the amendment, please request a meeting by contacting the person listed under **FOR FURTHER INFORMATION CONTACT**.

Any meeting is open to the public and, if possible, we will post notices of meetings at the locations listed under **ADDRESSES**. We will make a written summary of each meeting a part of the administrative record.

IV. Statutory and Executive Order Reviews

Executive Order 12866—Regulatory Planning and Review and Executive Order 13563—Improving Regulation and Regulatory Review

Executive Order 12866 provides that the Office of Information and Regulatory Affairs in the Office of Management and Budget (OMB) will review all significant rules. Pursuant to OMB guidance dated October 12, 1993, the approval of State program amendments is exempted from OMB review under Executive Order 12866.

Other Laws and Executive Orders Affecting Rulemaking

When a State submits a program amendment to OSMRE for review, our regulations at 30 CFR 732.17(h) require us to publish a notice in the **Federal Register** indicating receipt of the proposed amendment, its text or a summary of its terms, and an opportunity for public comment. We conclude our review of the proposed amendment after the close of the public comment period and determine whether the amendment should be approved, approved in part, or not approved. At that time, we will also make the determinations and certifications required by the various laws and Executive orders governing the rulemaking process and include them in the final rule.

List of Subjects in 30 CFR Part 917

Intergovernmental relations, Surface mining, Underground mining.

Ben H. Owens,

Acting Regional Director, North Atlantic—Appalachian Region.

[FR Doc. 2025–20018 Filed 11–14–25; 8:45 am]

BILLING CODE 4310–05–P

DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

31 CFR Part 1010

RIN 1506–AB70

Proposal of Special Measure Regarding Transactions Involving Ten Mexican Gambling Establishments as a Class of Transactions of Primary Money Laundering Concern

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

ACTION: Notice of proposed rulemaking.

SUMMARY: FinCEN is issuing a notice of proposed rulemaking, pursuant to section 311 of the USA PATRIOT Act, that finds transactions involving ten identified Mexico-based gambling establishments to be a class of transactions of primary money laundering concern, and proposes imposing a special measure to: (1) prohibit U.S. financial institutions from opening or maintaining a correspondent account for any foreign banking institution if such account is used to process transactions involving any of the gambling establishments, and (2) require U.S. financial institutions to apply special due diligence to their correspondent accounts that is reasonably designed to guard against the use of such accounts to process transactions involving any of the gambling establishments.

DATES: Written comments on the notice of proposed rulemaking must be submitted on or before December 17, 2025.

ADDRESSES: Comments must be submitted in one of the following two ways (please choose only one of the ways listed):

- *Federal E-rulemaking Portal: https://www.regulations.gov.* If you are reading this document on *federalregister.gov,* you may use the green ''SUBMIT A PUBLIC COMMENT'' button beneath this rulemaking's title to submit a comment to the *regulations.gov* docket.
- *Mail:* Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183. Refer to Docket Number FINCEN–2025–0138 in the submission.

Do not include any personally identifiable information (such as name, address, or other contact information) or confidential business information that you do not want publicly disclosed. All comments are public records; they are publicly displayed exactly as received, and will not be deleted, modified, or redacted. Comments may be submitted anonymously.

Follow the search instructions on *https://www.regulations.gov* to view public comments.

FOR FURTHER INFORMATION CONTACT: FinCEN's Regulatory Support Section at *www.fincen.gov/contact.*

SUPPLEMENTARY INFORMATION:

I. Statutory Provisions

Section 311 of the USA PATRIOT Act [1] (section 311), codified at 31 U.S.C. 5318A, grants the Secretary of the Treasury (Secretary) the authority to make a finding that ''reasonable grounds exist for concluding'' that any of the following ''is of primary money laundering concern'':

(i) A jurisdiction outside of the United States;

(ii) One or more financial institutions operating outside of the United States;

(iii) One or more classes of transactions within, or involving, a jurisdiction outside of the United States; or

(iv) One or more types of accounts.[2]

Upon making such a finding, the Secretary is authorized to require domestic financial institutions and domestic financial agencies—collectively, ''covered financial institutions''—to take certain ''special measures.'' The five special measures set out in section 311 are safeguards that may be employed to defend the U.S. financial system from money laundering and terrorist financing risks. The Secretary may impose one or more of these special measures to protect the U.S. financial system from such threats. Through special measures one through four, the Secretary may impose additional recordkeeping, information collection, and reporting requirements on covered financial institutions.[3] Through special measure five, the Secretary may ''prohibit, or impose

[1] Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001, Public Law 107–56, 115 Stat. 272 (Oct. 26, 2001).

[2] 31 U.S.C. 5318A(a)(1).

[3] 31 U.S.C. 5318A(b)(1)–(4). For purposes of this proposed rulemaking, the term ''covered financial institution'' has the same meaning as provided at 31 CFR 1010.605(e)(1); *see infra* Section VI.A.3.

conditions upon, the opening or maintaining in the United States of a correspondent account or payable-through account'' for or on behalf of a foreign banking institution, if such correspondent account or payable-through account involves the class of transactions found to be of primary money laundering concern.[4]

Before making a finding that reasonable grounds exist for concluding that a class of transactions (or other jurisdiction, financial institution, or account) is of primary money laundering concern, the Secretary is required to consult with both the Secretary of State and the Attorney General.[5] In addition, in making a finding that reasonable grounds exist for concluding that a class of transactions is of primary money laundering concern, the Secretary is required to consider such information as the Secretary determines to be relevant, including the following potentially relevant institutional factors:

- The extent to which such a class of transactions is used to facilitate or promote money laundering in or through a jurisdiction outside the United States, including any money laundering activity by organized criminal groups, international terrorists, or entities involved in the proliferation of weapons of mass destruction (WMD) or missiles.
- The extent to which such a class of transactions is used for legitimate business purposes in the jurisdiction; and
- The extent to which such action is sufficient to ensure that the purposes of section 311 continue to be fulfilled, and to guard against international money laundering and other financial crimes.[6]

In selecting one or more special measures, the Secretary ''shall consult with the Chairman of the Board of Governors of the Federal Reserve System, any other appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act), the Secretary of State, the Securities and Exchange Commission, the Commodity Futures Trading Commission, the National Credit Union Administration Board, and in the sole discretion of the Secretary, such other agencies and interested parties as the Secretary may find appropriate.'' [7] When imposing special measure five, the Secretary must do so ''in consultation with the Secretary of State, the Attorney General, and the Chairman of the Board of Governors of the Federal Reserve System.'' [8] In addition, the Secretary is required to consider the following factors:

- Whether similar action has been or is being taken by other nations or multilateral groups;
- Whether the imposition of any particular special measure would create a significant competitive disadvantage, including any undue cost or burden associated with compliance, for financial institutions organized or licensed in the United States;
- The extent to which the action or the timing of the action would have a significant adverse systemic impact on the international payment, clearance, and settlement system, or on legitimate business activities involving the particular jurisdiction, institution, class of transactions, or type of account; and
- The effect of the action on United States national security and foreign policy.[9]

The authority of the Secretary to administer the Bank Secrecy Act (BSA) [10] and its implementing regulations, including the authority under section 311 to make such a finding and to impose special measures, has been delegated to FinCEN.[11]

II. Summary

The ten Mexican gambling establishments at issue in this Notice of Proposed Rulemaking (NPRM)—namely, (1) Emine Casino (San Luis Rio Colorado, Sonora); (2) Casino Mirage (Culiacan, Sinaloa); (3) Midas Casino (Agua Prieta, Sonora); (4) Midas Casino (Guamúchil, Sinaloa); (5) Midas Casino (Los Mochis, Sinaloa); (6) Midas Casino (Mazatlan, Sinaloa); (7) Midas Casino (Rosarito, Baja California); (8) Palermo Casino (Nogales, Sonora); (9) Skampa Casino (Ensenada, Baja California); and (10) Skampa Casino (Villahermosa, Tabasco) (collectively, the ''Gambling Establishments'') [12]—all operate in Mexico and offer gambling services, including gaming machines, table gaming, and sportsbooks betting.[13] These Gambling Establishments are owned by three separate Mexico-based companies, all of which are regulated and licensed by Mexico's Ministry of the Interior, Secretaría de Gobernación (SEGOB), through its Gambling and Raffles Bureau, Dirección General de Juegos y Sorteos (DGJS).[14]

FinCEN assesses that the Gambling Establishments are ultimately controlled by a criminal group with a longstanding and transactional financial relationship in which the Gambling Establishments facilitate money laundering for the benefit of the Cartel de Sinaloa (Sinaloa Cartel). The organized crime group purportedly uses complex, multinational illicit financial networks, leveraging bank accounts in multiple

[4] 31 U.S.C. 5318A(b)(5).

[5] 31 U.S.C. 5318A(c)(1).

[6] 31 U.S.C. 5318A(c)(2)(B)(i)–(iii). In addition, in the case of a finding relating to a particular jurisdiction, section 311 sets out certain ''jurisdictional factors'' that the Secretary may consider, which are not relevant here. *See* 31 U.S.C. 5318A(c)(2)(A)(i)–(vii).

[7] 31 U.S.C. 5318A(a)(4)(A).

[8] 31 U.S.C. 5318A(b)(5).

[9] 31 U.S.C. 5318A(a)(4)(B)(i)–(iv).

[10] The BSA, as amended, is the popular name for a collection of statutory authorities that FinCEN administers that is codified at 12 U.S.C. 1829b, 1951–1960, and 31 U.S.C. 5311–5314, 5316–5336, and includes other authorities reflected in notes thereto. Regulations implementing the BSA appear at 31 CFR Chapter X.

[11] *See* Treasury Order 180–01 (Jan. 14, 2020).

[12] As discussed in greater detail in Section III, FinCEN assesses that these ten gambling establishments have related activities and ownership, and for that reason, FinCEN will correspondingly treat them as a unitary collective.

[13] Under Mexican laws, sportsbooks betting falls under the classification of remote betting centers, which are captured under the same type of gambling license as land-based casinos. Thus, the Gambling Establishments may offer sportsbooks and gaming services under the same license. *See* International Comparative Legal Guides, *Gambling Laws and Regulations Mexico 2025* (Nov. 19, 2024), *https://iclg.com/practice-areas/gambling-laws-and-regulations/mexico.*

[14] According to public information, the three companies that own the Gambling Establishments are licensed by DGJS and authorized to hold permits for remote betting centers, which includes land-based casinos. Only Mexico-based companies may obtain licenses for owning gambling establishments. According to the laws and regulations applicable to SEGOB and DGJS, companies that obtain licenses to operate and hold permits for land-based casinos in Mexico are granted broad parameters for how to organize and establish their gambling activities. License-holding companies are authorized to establish as many land-based casinos as their license authorizes. Land-based casino licenses have a minimum duration of one year and a maximum of 25 years, after which they must be reauthorized for an additional 15 years at a time. A 2023 Mexican government decree changed the maximum to 15 years. Until the 2023 decree, license holders could request authorization from DGJS to jointly exploit their license with a Mexico-based sub-licensor. The decree did not apply retroactively to prevent preexisting sub-licensing structures from continued operation. *See* International Comparative Legal Guides, *Gambling Laws and Regulations Mexico 2025* (Nov. 19, 2024), *https://iclg.com/practice-areas/gambling-laws-and-regulations/mexico; see also* The National Law Review, *Mexico Amends Gaming Law, Bans Slot Machines* (Dec. 14, 2023), *https://natlawreview.com/article/mexico-amends-gaming-law-bans-slot-machines#google_vignette.* FinCEN assesses that because the Gambling Establishments are owned by three Mexico-based companies duly authorized to operate and hold permits for land-based casinos, that the Gambling Establishments are appropriately licensed and authorized to conduct gambling activities. However, the Mexican government website that explicitly lists authorized gambling establishment permits recognized by SEGOB and DGJS was not available to validate this assessment. Thus, FinCEN is incapable of conclusively confirming the permitting status of the Gambling Establishments. *See* DGJS website, *Number Drawing Rooms and Remote Betting Centers* (last accessed Nov. 3, 2025), *www.juegosysorteos.gob.mx/es/Juegos_y_Sorteos/Salas_de_Sorteos_de_Numeros.*

jurisdictions, to facilitate its money laundering operations, including its joint ventures with the Sinaloa Cartel involving Mexico-based casinos. Based on non-public information available to FinCEN, for over six years, the Gambling Establishments' senior leadership has conducted transactions benefitting the Sinaloa Cartel under the instruction of Sinaloa Cartel members and affiliates.[15]

The Sinaloa Cartel is a drug trafficking organization (DTO), a designated Foreign Terrorist Organization (FTO), and a Specially Designated Global Terrorist (SDGT) based in Sinaloa, Mexico.[16] In 2024, the Drug Enforcement Administration (DEA) described the Sinaloa Cartel as being ''at the heart'' of the synthetic drug crisis, including opioids, using its global supply chain network to gain access to the pill presses and precursor chemicals needed to manufacture opioids in Mexico, distribute them in the United States, and then return laundered profits back to Mexico.[17] In 2009, the Sinaloa Cartel was found to be a significant foreign narcotics trafficker pursuant to the Foreign Narcotics Kingpin Act (Kingpin Act).[18] The Sinaloa Cartel has used violence to murder, kidnap, and intimidate civilians, government officials, and journalists.

The United States is committed to countering DTOs, FTOs, and SDGTs, their illicit activities, and the threat they pose to U.S. national security.[19] Furthermore, since DTOs are known to exploit financial institutions and agencies, including, but not limited to, banks, money services businesses, and online payment processors to drive illicit financial flows,[20] casinos and other gambling establishments may provide similar avenues for money laundering on behalf of DTOs.

This NPRM sets forth FinCEN's finding, based on public and non-public information, that transactions involving the Gambling Establishments are a class of transactions of primary money laundering concern. Accordingly, this NPRM proposes that, under special measure five, covered financial institutions: (1) would be prohibited from opening or maintaining in the United States any correspondent account for, or on behalf of, a foreign banking institution, if such correspondent account is used to process a transaction involving any of the Gambling Establishments; and (2) would be required to apply special due diligence to any correspondent account for, or on behalf of, a foreign banking institution, that is reasonably designed to guard against the use of such accounts to process transactions involving any of the Gambling Establishments.

III. Finding That Transactions Involving the Gambling Establishments Are a Class of Transactions of Primary Money Laundering Concern

As set forth above, section 311 authorizes FinCEN, through delegated authority and in pertinent part, to make a finding ''that reasonable grounds exist for concluding'' that ''[one] or more classes of transactions within, or involving, a jurisdiction outside of the United States'' is ''of primary money laundering concern.''

A. The Gambling Establishments

A prerequisite to such a finding is that the relevant class of transactions is a class of transactions ''within, or involving, a jurisdiction outside of the United States.'' [21]

The Gambling Establishments are located in Mexico and are each owned by one of three Mexico-based entertainment and sports companies. The Gambling Establishments are:

(1) *Casino Emine (San Luis Rio Colorado, Sonora):* Casino Emine is located in San Luis Rio Colorado, Sonora.[22]

(2) *Casino Mirage (Culiacan, Sinaloa):* Casino Mirage is located in Culiacan, Sinaloa. FinCEN assesses that Casino Mirage was later renamed ''Copa Kabana Casino'' based on the fact that, in January 2022, its parent company was granted permission to establish a casino in Culiacan [23] at an address that a search of Google Maps [24] revealed to be Copa Kabana Casino.

(3) *Midas Casino (Agua Prieta, Sonora):* Midas Casino Agua Prieta is located in Agua Prieta, Sonora.[25]

(4) Midas Casino (Guamúchil, Sinaloa): Midas Casino Guamúchil is located in Guamúchil, Sinaloa.[26]

(5) Midas Casino (Los Mochis, Baja California): Midas Casino Los Mochis is located in Los Mochis, Sinaloa.[27]

(6) Midas Casino (Mazatlan, Sinaloa): Midas Casino Mazatlan is located in Mazatlán, Sinaloa.[28]

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[15] The financial relationship between the group controlling the operations of the Gambling Establishments and the Sinaloa Cartel is explained in greater detail in Section III.

[16] Department of State, *Foreign Terrorist Organization Designations of Tren de Aragua, Mara Salvatrucha, Cartel de Sinaloa, Cartel de Jalisco Nueva Generacion, Carteles Unidos, Cartel del Noreste, Cartel del Golfo, and La Nueva Familia Michoacana,* 90 FR 10030 (Feb. 20, 2025); Department of State, Fact Sheet, *Designation of International Cartels* (Feb. 20, 2025), *https://www.state.gov/designation-of-international-cartels.*

[17] *See* Drug Enforcement Administration, DEA–DCT–DIR–010–24, *2024 National Drug Threat Assessment* (May 2024), p. 2, *https://www.dea.gov/sites/default/files/2024-05/5.23.2024%20NDTA-updated.pdf.*

[18] The White House, *Fact Sheet: Overview of the Foreign Narcotics Kingpin Designation Act* (Apr. 15, 2009), *https://obamawhitehouse.archives.gov/the-press-office/fact-sheet-overview-foreign-narcotics-kingpin-designation-act;* Treasury's Office of Foreign Assets Control (OFAC), Press Release, *Treasury Designates Sinaloa Cartel Members Under the Kingpin Act* (Dec. 15, 2009), *https://home.treasury.gov/news/press-releases/tg444.*

[19] *See, e.g.,* Exec. Order No. 14157 of Jan. 20, 2025 (Designating Cartels and Other Organizations as Foreign Terrorist Organizations and Specially Designated Global Terrorists), 90 FR 8439.

[20] FinCEN, Financial Trend Analysis, *Fentanyl-Related Illicit Finance: 2024 Threat Pattern & Trend Information* (Apr. 2025).

[21] *See* 31 U.S.C. 5318A(a)(1), (c).

[22] Casino Emine's Facebook page states that it is located at Av. Félix Contreras 203, Comercial, 83449 San Luis Río Colorado, Sonora. *See* Facebook, *Emine Casino, https://www.facebook.com/people/Emine-Casino/61574389321589/#* (last accessed Nov. 3, 2025).

[23] Gaceta Municipal, *Opinión Favorable Para un Casino* (Jan. 19, 2022), *https://apps.culiacan.gob.mx/gaceta/archivos/GACETA_ENERO_2022.pdf.*

[24] A search of Google Search revealed that Casino Mirage is located at Boulevard Enrique Sánchez Alonso, Desarrollo Urbano Tres Rios, 80034 Culiacán Rosales, Sinaloa. That search also revealed that Copa Kabana Casino was permanently closed. This address corresponds with Plaza 2255, a shopping complex. A search of Google Maps at this location shows that as of September 2023, there was a prominent sign advertising Copa Kabana Casino.

[25] Casino City, an independent gaming industry directory, states that Midas Casino Agua Prieta is located at Calle 5 y Avenida 21, Agua Prieta, Sonora 84269. *See* Casino City, *M Casino-Agua Prieta Address, https://www.casinocity.mx/agua-prieta/m-casino-agua-prieta/* (last accessed Nov. 3, 2025). Midas Casino Agua Prieta's Facebook page corroborates this address. *See* Facebook, *Midas Casino Agua Prieta, https://www.facebook.com/p/Midas-Casino-Agua-Prieta-100089561588120/* (last accessed Nov. 3, 2025). World Casino Directory, an independent gaming industry directory, also corroborates this address. *See* World Casino Directory, *Agua Prieta Casinos, https://www.worldcasinodirectory.com/sonora/agua-prieta* (last accessed Nov. 3, 2025).

[26] Midas Casino Guamúchil's Facebook page states that it is located at Boulevard Antonio Rosales 334, Morelos, Salvador Alvarado, Guamúchil, Sinaloa 81460. *See* Facebook, *Midas Casino Guamúchil, https://www.facebook.com/mcasinoguamuchil/?locale=ms_MY* (last accessed Nov. 3, 2025).

[27] The Casino City website states that Midas Casino Los Mochis is located at Boulevard Canuto Ibarra Guerrero, 1048 Monferrath, Los Mochis, Sinaloa 81248. *See* Casino City, *M Casino-Ahome Address, https://www.casinocity.mx/los-mochis/m-casino-ahome/* (last accessed Nov. 3, 2025). Midas Casino Los Mochis's Facebook page corroborates this address. *See* Facebook, *Midas Casino Los Mochis, https://www.facebook.com/cmidaslosmochis/* (last accessed Nov. 3, 2025).

[28] The Casino City website states that Midas Casino Mazatlan is located at La Gran Plaza local T–10, Avenida Reforma, Mazatlán, Sinaloa, 82123. *See* Casino City, *M Casino-Mazatlán Address, https://www.casinocity.mx/Mazatlán*/m-casino-Mazatlán/(last accessed Nov. 3, 2025). Midas Casino Mazatlan's Facebook page corroborates this address and specifies that it is located at #2206 La Gran Plaza local T–10, Avenida Reforma, Mazatlán, Sinaloa, 82123. *See* Facebook, *Midas Casino*

(7) Midas Casino (Rosarito, Baja California): Midas Casino Rosarito is located in Rosarito, Baja California.[29]

(8) Palermo Casino (Nogales, Sonora): Palermo Casino is located in Nogales, Sonora.[30]

(9) Skampa Casino (Ensenada, Baja California): Skampa Casino Ensenada is located in Ensenada, Baja California.[31]

(10) Skampa Casino, formerly known as Venezzia Casino (Villahermosa, Tabasco): Skampa Casino Villahermosa is located in Villahermosa, Tabasco.[32]

By virtue of their locations and nature of their operations, transactions by or involving the Gambling Establishments necessarily are within, or involving, Mexico, a jurisdiction outside of the United States.

For purposes of making the requisite finding of primary money laundering concern, FinCEN also considered whether to treat the Gambling Establishments as ''financial institutions operating outside of the United States.'' Although that phrase is used in section 311, it is not defined there, or anywhere else in the BSA. However, the BSA, as set forth in 31 U.S.C. 5312(a)(2), does define the term ''financial institution.'' Certain gambling establishments are considered financial institutions under section 5312(a)(2)(X). However, the ten Mexico-based gambling establishments that are the subject of this NPRM do not meet the explicit definition set forth in section 5312(a)(2)(X).[33] FinCEN assesses that they are not licensed under the laws of any U.S. state or subdivision of a U.S. state nor are they Indian gaming operations.[34] FinCEN further assesses that these gambling establishments are appropriately licensed and authorized to conduct gambling activities in Mexico, *see infra* note 15. Nevertheless, the inclusion of casinos and gaming establishments generally in 31 U.S.C. 5312(a)(2)(X) is instructive in determining whether the Gambling Establishments are ''financial institutions.'' Utilizing its authorities under 31 U.S.C. 5312(a)(2)(Y) and 31 U.S.C. 5318A(e)(4),[35] FinCEN has proposed in the rulemaking to define ''financial institution operating outside of the United States'' to include the Gambling Establishments. These Gambling Establishments engage in activity that is very similar to ''casinos'' as defined in 31 U.S.C. 5312 and are located in Mexico and therefore are operating outside of the United States. Given the nature of the relationship between, transactions conducted by, and illicit finance threat posed by the Gambling Establishments, FinCEN assessed that finding a ''class of transactions'' involving the Gambling Establishments would be the most efficient and effective means of addressing the illicit finance threat posed by the Gambling Establishments. In addition, because section 5312(a)(2)(X) defines the term ''casino, gambling casino, or gaming establishment'' by reference to state and tribal law, laws that are not applicable to the 10 Mexico-based gambling establishments, those businesses are referred to as ''gambling establishments'' for the purposes of this NPRM to avoid unnecessary confusion.

B. Relevant Factors

Based on information available to FinCEN, including non-public reporting, and considering each of the factors discussed below, FinCEN finds that reasonable grounds exist for concluding that transactions involving the Gambling Establishments are of primary money laundering concern. Below is a discussion of the relevant statutory institutional factors FinCEN considered in making this finding related to transactions involving these Mexico-based Gambling Establishments.

1. The Extent To Which Transactions Involving the Gambling Establishments Are Used To Facilitate or Promote Money Laundering, Including Any Money Laundering Activity by Organized Criminal Groups, International Terrorists, or Entities Involved in the Proliferation of WMD or Missiles

Based on non-public information, FinCEN assesses that transactions involving the Gambling Establishments, and their senior leadership, are used to facilitate or promote money laundering in or through jurisdictions outside the United States, including benefiting the Sinaloa Cartel. In making a finding that reasonable grounds exist for concluding that a class of transactions is of primary money laundering concern so as to authorize the imposition of special measures, FinCEN may consider the extent to which the class of transactions is ''used to facilitate or promote money laundering'' including ''any money laundering activity by organized criminal groups, international terrorists, or entities involved in the proliferation of weapons of mass destruction or missiles.'' [36]

a. Monthly Disbursements

FinCEN's analysis of available, non-public information determined that, in the aggregate, the Gambling Establishments facilitated the laundering of over U.S. dollar (USD) 2 million worth of illicit payments between 2017 and 2024. The volume, duration, and repetitive nature of this activity indicate that the Gambling Establishments are a substantial and enduring source of funds and facilitator of money laundering for the Sinaloa Cartel.

From 2017 through 2024, senior leadership of Midas Casino in Mazatlan, Sinaloa, made monthly disbursements of funds to the Sinaloa Cartel as part of an agreement with a highly influential Sinaloa Cartel affiliate. The payments were made by the senior leadership of Midas Casino in Mazatlan, Sinaloa, to a highly influential Sinaloa Cartel affiliate in furtherance of joint casinos ventures. Additionally, according to non-public information available to FinCEN, the operations of (1) Emine Casino in San Luis Rio Colorado, Sonora; (2) Palermo

Mazatlán https://www.facebook.com/midascasinomazatlan/ (last accessed Nov. 3, 2025).

[29] Casino City states that Midas Casino Rosarito is located at Boulevard Benito Juarez 2701, Echeverría, Rosarito, Baja California 22703. *See* Casino City, *M Casino-Rosarito Address, https://www.casinocity.mx/rosarito/m-casino-rosarito/* (last accessed Nov. 3, 2025). Midas Casino Rosarito's Facebook page corroborates this address. *See* Facebook, *Midas Casino Rosarito, https://www.facebook.com/midascasinororosarito/* (last accessed Nov. 3, 2025).

[30] World Casino Directory states that Palermo Casino is located at Boulevard Luis Donaldo Colosio, Kennedy, 84063, Heroica Nogales, Sonora. *See* World Casino Directory, *Palermo Casino Nogales Review, https://www.worldcasinodirectory.com/casino/palermo-casino-nogales* (last accessed Nov. 3, 2025).

[31] World Casino Directory states that Skampa Casino Ensenada is located at Avenida Gral Agustin Sanginés, Carlos Pacheco 4, Ensenada, Baja California 22890. *See* World Casino Directory, *Skampa Casino Review, https://www.worldcasinodirectory.com/casino/skampa-casino* (last accessed Nov. 3, 2025). Skampa Casino Ensenada's Facebook page corroborates this address. *See* Facebook, *Skampa Casino Ensenada, https://www.facebook.com/skampacasinoensenada/* (last accessed Nov. 3, 2025).

[32] A search of Google Maps revealed that Skampa Casino Villahermosa is located at Periferico Carlos Pellicer Cámara, Cuadrante II, Miguel Hidalgo 2a Secc, 86127 Villahermosa, Tabasco. Casino City corroborates this address. *See* Casino City, *Venezzia Casino Address, https://www.casinocity.mx/villahermosa/venezzia-casino/* (last accessed Nov. 3, 2025). Skampa Casino Villahermosa's Facebook page corroborates this address. *See* Facebook, *Official Venezzia Casino, https://www.facebook.com/VenezziaCasinoficial/* (last accessed Nov. 3, 2025).

[33] *See* 31 U.S.C. 5312(a)(2)(X) (defining a casino, gambling casino, or gaming establishment by reference to state or tribal law).

[34] *See id.*

[35] *See* 31 U.S.C. 5312(a)(2)(Y) (allowing the Secretary of the Treasury to determine, by regulation, that a business or agency is a ''financial institution'' if it engages in any activity ''which is similar to, related to, or a substitute for any activity in which any business described in this paragraph is authorized to engage''); *see also* 31 U.S.C. 5318A(e)(4) (allowing the Secretary to ''define other terms for the purposes of [section 311], as the Secretary deems appropriate'').

[36] 31 U.S.C. 5318A(c)(2)(B)(i).

Casino in Nogales, Sonora; (3) Skampa Casino in Ensenada, Baja California; and (4) Casino Mirage in Culiacan, Sinaloa, are all overseen by the senior leadership of Midas Casino in Mazatlan, Sinaloa. Furthermore, from at least 2021 through 2023, senior leadership for Midas Casinos made monthly payments to a highly influential Sinaloa Cartel affiliate as part of an agreement related to (1) Midas Casino in Agua Prieta, Sonora; (2) Midas Casino in Guamuchil, Sinaloa; (3) Midas Casino in Los Mochis, Sinaloa; (4) Midas Casino in Mazatlan, Sinaloa; (5) Midas Casino in Rosarita, Baja California; and (6) Skampa Casino in Villahermosa, Tabasco.

b. Illicit Payments Intended To Evade Detection

For years, the Gambling Establishments, including their leadership, have also sent illicit payments to senior cartel members, with the purpose of evading detection. FinCEN assesses the Gambling Establishments' leadership received detailed instructions from the Sinaloa Cartel on ways to avoid detection from financial institutions' anti-money laundering controls. For example, as part of the agreement regarding the disbursements, the Gambling Establishments' senior leadership was directed to (1) make one or two transactions into bank accounts designated by a highly influential Sinaloa Cartel affiliate; (2) allow pick up of the disbursements, in person, by a highly influential Sinaloa Cartel affiliate at Midas Casino in Mazatlan, Sinaloa; or (3) hand the disbursements to a person designated by a highly influential Sinaloa Cartel affiliate. Furthermore, the highly influential Sinaloa Cartel affiliate instructed the Gambling Establishments' leadership to make two deposits per account, make no more than MXN 90,000 (USD 4,354) per deposit, and avoid making deposits on consecutive days to prevent the accounts from being blocked. FinCEN believes that these instructions appear similar to structuring—the breaking up of transactions into multiple, smaller ones for the intended purpose of evading recordkeeping or other regulatory requirements established by governments or financial institutions.[37] FinCEN further assesses these payments were part of a sophisticated operation intended to prevent documentable connections between the Gambling Establishments and the Sinaloa Cartel. As evidence of these obfuscation efforts, casino leadership received instructions on how to complete payments to the Sinaloa Cartel, along with multiple accounts to utilize for cash deposits. In one instance, a highly influential Sinaloa Cartel affiliate provided the Gambling Establishments' leadership over 30 bank accounts in the name of Mexico-based companies into which to make cash deposits.

c. Beneficiary of Illicit Payments as a Threat to U.S. National Security

Given the various egregious factors described above, FinCEN finds that, if not disrupted, transactions involving the Gambling Establishments will continue to facilitate money laundering benefiting the Sinaloa Cartel, a DTO and U.S.-designated FTO and SDGT. Of special concern is the longstanding involvement of the Gambling Establishments' senior leadership in the facilitation of money laundering in connection with the Gambling Establishments, for the benefit of the Sinaloa Cartel—which plays a significant role in the opioid crisis in the United States. The sustained influx of fentanyl and other synthetic opioids into the United States has profound consequences, including drug overdoses becoming the leading cause of death for people aged 18 to 44 in the United States.[38] To address the synthetic opioid crisis, it is necessary to target the money laundering efforts of the Mexico-based DTOs that are the primary source of fentanyl and other synthetic opioids trafficked into the United States. These DTOs manufacture synthetic opioids in clandestine laboratories in Mexico using precursor chemicals sourced largely from the People's Republic of China (China), traffic these synthetic opioids into and throughout the United States, and launder the illicit profits back to Mexico.[39]

These DTOs could not profit from trafficking fentanyl and other synthetic opioids if not for their ability to launder their proceeds. DTOs and third-party money launderers use a diverse array of methods to launder money, including using financial institutions, remittance payments, bulk cash smuggling, trade-based money laundering, mirror trades, and cryptocurrencies.[40] It is therefore critical to address the role that certain classes of transactions play in facilitating the money laundering that enables and facilitates the DTOs and their illicit opioid trafficking and related money laundering.

As previously described, the Sinaloa Cartel affiliate provided the Gambling Establishments' leadership with over 30 bank accounts associated with Mexico-based businesses to receive cash deposits in furtherance of their money laundering activities. FinCEN assesses these payments entered the Mexican financial system with minimal to no documented connection to its illicit origin. This poses a threat to the integrity of the U.S. financial system because of the highly interconnected nature of the U.S. and Mexican financial systems.[41] In 2024 alone, U.S. goods and services trade with Mexico totaled an estimated USD 935 billion,[42] and there are many U.S.-based banks active in the Mexican market.[43] Given that the money laundering activity described above was conducted using over 30 bank accounts at unidentified financial institutions, FinCEN assesses it is reasonable to believe that at least a portion of this money, benefiting the Sinaloa Cartel, a DTO and U.S.-designated FTO and SDGT, entered Mexico-based banks with direct correspondent relationships with U.S. financial institutions, indirect U.S. correspondent relationships, or with exposure to U.S. financial markets.

In addition to threatening the integrity of the U.S. financial system, the transactions involving the Gambling

[37] *See generally* FinCEN, *Suspicious Activity Reporting (Structuring)* (July 15, 2005), *https://www.fincen.gov/resources/statutes-regulations/administrative-rulings/suspicious-activity-reporting-structuring.*

[38] *See* Centers for Disease Control, *CDC Reports Nearly 24% Decline in U.S. Drug Overdose Deaths* (Feb. 25, 2025), *https://www.cdc.gov/media/releases/2025/2025-cdc-reports-decline-in-us-drug-overdose-deaths.html;* E.O. 14159, *Imposing Duties To Address the Synthetic Opioid Supply Chain in the People's Republic of China,* 90 FR 9121 (Feb. 7, 2025), *https://www.federalregister.gov/documents/2025/02/07/2025-02408/imposing-duties-to-address-the-synthetic-opioid-supply-chain-in-the-peoples-republic-of-china.*

[39] *See* Drug Enforcement Administration, DEA–DCT–DIR–010–24, *2024 National Drug Threat Assessment* (May 2024), pp. 46–50, *https://www.dea.gov/sites/default/files/2024-05/5.23.2024%20NDTA-updated.pdf;* FinCEN, FIN–2024–A002, *Supplemental Advisory on the Procurement of Precursor Chemicals and Manufacturing Equipment Used for the Synthesis of Illicit Fentanyl and Other Synthetic Opioids* (June 20, 2024), *https://www.fincen.gov/sites/default/files/advisory/2024-06-20/FinCEN-Supplemental-Advisory-on-Fentanyl-508C.pdf;* Congressional Research Service, *Illicit Fentanyl and Mexico's Role* (Dec. 19, 2024), pp. 1–2, *https://crsreports.congress.gov/product/pdf/IF/IF10400.*

[40] *See* Drug Enforcement Administration, DEA–DCT–DIR–010–24, *2024 National Drug Threat Assessment* (May 2024), pp. 46–50, *https://www.dea.gov/sites/default/files/2024-05/5.23.2024%20NDTA-updated.pdf.*

[41] *See generally* Department of State, *2024 Investment Climate Statements: Mexico* (last accessed Aug. 19, 2025), *https://www.state.gov/reports/2024-investment-climate-statements/mexico/.*

[42] Office of the United States Trade Representative, *Mexico* (last accessed Aug. 19, 2025), *https://ustr.gov/countries-regions/americas/mexico.*

[43] International Trade Administration, *Mexico Country Commercial Guide: Trade Financing* (Nov. 5, 2023), *https://www.trade.gov/country-commercial-guides/mexico-trade-financing.*

Establishments support the Sinaloa Cartel, a U.S.-designated FTO, constituting a significant threat to U.S. national security. The Sinaloa Cartel has a well-documented history of violence and crime that threatens U.S. and Mexican persons. The Sinaloa Cartel is one of the largest and most notorious DTOs in Mexico, and traffics multi-ton quantities of illicit drugs, including fentanyl and heroin, into the United States [44] It uses money laundering and violent crimes to conduct its operations.[45] In addition to laundering funds through the Gambling Establishments, the Sinaloa Cartel has engaged in numerous illicit finance methodologies including fuel smuggling,[46] time share fraud,[47] bulk cash smuggling, and currency arbitrage.[48] This action serves to end a longstanding source of income for the Sinaloa Cartel and expose their diverse illicit financial operations, which sustain their violent operations and drug trafficking operations, all of which pose a significant threat to the integrity of the United States' financial system.

2. The Extent To Which Transactions Involving the Gambling Establishments Are Used for Legitimate Business Purposes

In making a finding that reasonable grounds exist for concluding that a class of transactions is of primary money laundering concern so as to authorize the imposition of special measures, FinCEN may consider the extent to which the class of transactions is ''used for legitimate business purposes.'' [49] While FinCEN does not know the full extent of legitimate business activity in which the Gambling Establishments engage, their collective, cumulative transactional volume identified to have a nexus with illicit activity is assessed to exceed USD 2 million since 2017. FinCEN lacks insight into the nature of most of the Gambling Establishments' daily business operations, generally, and fiat currency transaction activity, more specifically, which FinCEN attributes to the Gambling Establishments' leadership obfuscating USD transactional activity using money laundering typologies, as described above.

The Gambling Establishments advertise ostensibly legitimate business services, such as gambling, gaming, and betting. FinCEN found no information indicating that the Gambling Establishments offer online gambling or online services. The Gambling Establishments' advertised services indicate some legitimate business transiting the Gambling Establishments. However, given the totality of circumstances, FinCEN assesses that the benefits of any legitimate business activities of the Gambling Establishments are outweighed by the substantial money laundering risk posed by transactions involving the Gambling Establishments.

3. The Extent To Which Action Proposed by FinCEN Would Guard Against International Money Laundering and Other Financial Crimes

In making a finding that reasonable grounds exist for concluding that a class of transactions is of primary money laundering concern so as to authorize the imposition of special measures, FinCEN may consider the extent to which such action is ''sufficient to ensure'' that the purpose of section 311 ''continue[s] to be fulfilled, and to guard against international money laundering and other financial crimes.'' [50] A finding that transactions involving the Gambling Establishments are of primary money laundering concern would make clear the illicit finance risk such transactions pose to domestic financial institutions, and by extension, to their foreign correspondents. FinCEN anticipates that the imposition of special measure five may cause U.S. financial institutions, their foreign correspondent accounts, and their regulators, to act to mitigate the money laundering risks posed by transactions involving the Gambling Establishments. A prohibition under special measure five would sufficiently guard against international money laundering and other financial crimes related to the Gambling Establishments by restricting the ability of the Gambling Establishments to access the U.S. financial system.

IV. Proposed Special Measure

Having found that transactions involving the Gambling Establishments are of primary money laundering concern, FinCEN proposes imposing a prohibition on covered financial institutions under special measure five. Special measure five authorizes the Secretary to impose conditions upon the opening or maintaining in the United States of a correspondent account or payable-through account, if a class of transactions of primary money laundering concern may be conducted through such an account.[51] Although the Gambling Establishments are not known to have direct correspondent accounts with U.S. financial institutions, the Gambling Establishments may access the U.S. financial system through correspondent accounts held at foreign banking institutions. Given the seriousness of the threat posed to the United States by DTOs, FTOs, and SDGTs, and the sophisticated payment agreement between the Gambling Establishments' leadership and the Sinaloa Cartel intended to obfuscate the purpose and origin of these transactions, the imposition of special measure five is necessary to mitigate the risks posed by the transactions involving the Gambling Establishments. FinCEN considered the other special measures available under section 311. As discussed further below, it was determined that none of the other special measures would appropriately address the risks posed by transactions involving the Gambling Establishments.

In proposing this special measure, FinCEN consulted with representatives and staff of the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Secretary of State, the Securities and Exchange Commission, the Commodity Futures Trading Commission, the National Credit Union Administration, the Federal Deposit Insurance Corporation, and the Attorney General.[52] These consultations involved interagency views on the imposition of special measure five and the effects that such a prohibition would have on the U.S. domestic and international financial systems.

In addition, FinCEN considered the factors set forth in section 311, as set forth below.[53]

[44] Department of the Treasury, *Treasury Uses New Sanctions Authority to Combat Global Illicit Drug Trade* (Dec. 15, 2021), *https://home.treasury.gov/news/press-releases/jy0535.*

[45] *See* Department of Justice, *Four of Chapo's Sons Indicted for Large-Scale Drug Trafficking, Money Laundering and Violent Crimes as Alleged Leaders of Sinaloa Cartel* (Apr. 14, 2023), *https://www.justice.gov/usao-sdca/pr/four-chapos-sons-indicted-large-scale-drug-trafficking-money-laundering-and-violent.*

[46] FinCEN, *FinCEN Alert on Oil Smuggling Schemes on the U.S. Southwest Border Associated with Mexico-Based Cartels* (May 1, 2025), *https://www.fincen.gov/sites/default/files/shared/FinCEN-Alert-Oil-Smuggling-FINAL-508C.pdf.*

[47] Federal Bureau of Investigation, *Mexican Cartels Target Americans in Timeshare Fraud Scams, FBI Warns* (June 7, 2024), *https://www.fbi.gov/news/stories/mexican-cartels-targeting-americans-in-timeshare-fraud-scams-fbi-warns.*

[48] Department of the Treasury, *Treasury Sanctions Criminal Operators and Money Launderers for the Notorious Sinaloa Cartel* (Mar. 31, 2025), *https://home.treasury.gov/news/press-releases/sb0064.*

[49] 31 U.S.C. 5318A(c)(2)(B)(ii).

[50] 31 U.S.C. 5318A(c)(2)(B)(iii).

[51] 31 U.S.C. 5318A(b)(5).

[52] *See* 31 U.S.C. 5318A(a)(4)(A), 31 U.S.C. 5318A(b)(5).

[53] 31 U.S.C. 5318A(a)(4)(B)(i)–(iv).

A. Whether Similar Action Has Been or Is Being Taken by Other Nations or Multilateral Groups Regarding the Gambling Establishments

FinCEN is aware that federal authorities in Mexico are considering actions to complement the special measure proposed by FinCEN in this NPRM. Until any such actions are taken, FinCEN is not able to assess whether the resulting impact may be as effective as the proposed special measure in insulating the U.S. financial system from the money laundering risks inherent in the Gambling Establishments.

FinCEN is not otherwise aware of any other nation or multilateral group that has imposed, or is currently imposing, similar action against transactions involving the Gambling Establishments.

FinCEN notes that it coordinated with Treasury's Office of Foreign Assets Control (OFAC) in addressing the illicit finance activity at the Gambling Establishments.

B. Whether the Imposition of Any Particular Special Measure Would Create a Significant Competitive Disadvantage, Including Any Undue Cost or Burden Associated With Compliance, for Financial Institutions Organized or Licensed in the United States

While FinCEN assesses that the prohibition proposed in this NPRM would impose a burden on covered financial institutions, that burden is not expected to be substantial and is neither undue nor inappropriate in view of the threat posed by the illicit activity facilitated by transactions involving the Gambling Establishments.

As described above, and as corroborated by non-public information, the Gambling Establishments have no direct correspondent relationships with U.S. financial institutions and instead, may access the U.S. financial system through correspondent accounts held by foreign banking institutions. To identify this type of access by illicit actors to the correspondent accounts of foreign banking institutions, covered financial institutions generally apply some level of monitoring and screening of their transactions and accounts, often through the use of commercially available software such as that used to detect potentially suspicious activity and for compliance with the sanctions programs administered by OFAC. FinCEN anticipates that covered financial institutions will be able to leverage these pre-existing monitoring and screening tools to identify whether a correspondent account is being used to process a transaction involving any of the Gambling Establishments, for purposes of complying with the proposed application of special measure five.

As a corollary to the proposed requirement that would prohibit covered financial institutions from opening or maintaining in the United States any correspondent account for or on behalf of a foreign banking institution if such correspondent account is used to process a transaction involving any of the Gambling Establishments, covered financial institutions would also be required to take reasonable steps to apply special due diligence to all of their correspondent accounts established with a foreign banking institution to help ensure that no such account is being used to process transactions involving any of the Gambling Establishments. Included in this special due diligence is the requirement that covered financial institutions transmit a notice to all foreign correspondent account holders concerning the prohibition on processing transactions involving any of the Gambling Establishments through the U.S. correspondent account. FinCEN assesses such notices would involve a minimal burden. Additionally, as discussed above, covered financial institutions generally apply some level of transaction and account screening and monitoring for purposes of the remaining proposed special due diligence requirements. Thus, the special due diligence that would be required by this rulemaking is not expected to impose a significant additional burden upon covered financial institutions.

C. The Extent To Which the Action or the Timing of the Action Would Have a Significant Adverse Systemic Impact on the International Payment, Clearance, and Settlement System, or on Legitimate Business Activities Involving the Class of Transactions

FinCEN assesses that imposing the proposed special measure would have minimal impact upon the international payment, clearance, and settlement system. As comparatively small entities providing gambling and gaming services, none of the Gambling Establishments are relied upon by the international banking community for clearance or settlement services and none are systemically important financial institutions in Mexico, regionally, or globally.

Nothing in the proposed rule would directly impede the Gambling Establishments from continuing legitimate business activities in the local economy following the imposition of a special measure insulating the U.S. financial system from the illegitimate activities of the Gambling Establishments. Furthermore, in light of FinCEN's finding that transactions involving the Gambling Establishments are of primary money laundering concern, FinCEN believes that any impact on the legitimate business activities of the Gambling Establishments would be outweighed by the need to protect the U.S. financial system.

D. The Effect of the Proposed Action on United States National Security and Foreign Policy

As described above, evidence available to FinCEN demonstrates that transactions involving the Gambling Establishments facilitate money laundering benefiting the Sinaloa Cartel. Imposing special measure five would: (1) impede the Gambling Establishments' access to the U.S. financial system; and (2) inhibit the Gambling Establishments' ability to act as an illicit finance facilitator for the Sinaloa Cartel. As a result, the United States national security would be enhanced by making it more difficult for terrorists and money launderers to continue their illicit activities.

E. Consideration of Alternative Special Measures

In assessing the appropriate special measure to impose, FinCEN considered alternatives to a prohibition on the opening or maintaining in the United States of correspondent accounts or payable-through accounts, including the imposition of one or more of the first four special measures, or imposing conditions on the opening or maintaining of correspondent accounts under special measure five. Having considered these alternatives and for the reasons set out below, FinCEN assesses that none of the other special measures available under section 311 would as appropriately address the risks posed by transactions involving the Gambling Establishments and the urgent need to prevent them from accessing the U.S. financial system through correspondent banking.

Transactions involving the Gambling Establishments continue to present a significant money laundering risk, particularly related to DTO, FTO, and SDGT illicit finance. Taken as a whole, the Gambling Establishments' history of facilitating money laundering benefiting the Sinaloa Cartel presents a heightened risk that transactions involving the Gambling Establishments will continue

to be used to support its violent and destabilizing activities threatening Mexican and U.S. national security.

Because of the nature, extent, and purpose of the obfuscation engaged in by the Gambling Establishments, any special measure intended to mandate additional information collection would likely be ineffective and insufficient to determine the true purpose for the transactions or the identity of the parties involved. For example, the provision under special measure one would require covered financial institutions to ''maintain records, file reports, or both, concerning the aggregate amount of transactions, or concerning each transaction;'' [54] FinCEN believes that such a simple recording or reporting obligation would be insufficient to counter the significant risks presented by transactions involving the Gambling Establishments, as the Sinaloa Cartel—a DTO and U.S.-designated FTO and SDGT—is the beneficiary of the money laundering involving the Gambling Establishments.

FinCEN also considered special measure two, which may require domestic financial institutions to ''obtain and retain information concerning the beneficial ownership of any account opened or maintained in the United States by a foreign person.'' [55] FinCEN determined that this special measure would likely be ineffective since the Gambling Establishments' illicit activities do not involve the Gambling Establishments engaging in the opening or maintaining of accounts in the United States.

Further, the requirements under special measures three and four, that domestic financial institutions require the Gambling Establishments, as a condition of opening or maintaining a correspondent account at the domestic financial institution, to obtain additional information about customers, would be inadequate. As noted above, the Gambling Establishments do not appear to hold correspondent accounts directly in the United States.

FinCEN similarly assesses that merely imposing conditions under special measure five would be inadequate to address the risks posed by the Gambling Establishments' activities. Special measure five allows FinCEN to impose conditions as an alternative to a prohibition on the opening or maintaining of correspondent accounts.[56] However, any measure short of prohibiting access by the Gambling Establishments to the U.S. financial system through U.S. correspondent accounts of foreign banking institutions is insufficient to counter the risks presented by transactions involving the Gambling Establishments. FinCEN does not believe that any conditioned access to U.S. correspondent accounts, indirectly through a foreign banking institution, is warranted, given the Gambling Establishments' facilitation of money laundering on behalf of the Sinaloa Cartel.

In sum, any condition or additional recordkeeping or reporting requirement would be an ineffective measure to safeguard the U.S. financial system from the illicit behavior facilitated by transactions involving the Gambling Establishments. Therefore, FinCEN has determined that a prohibition on transactions involving the Gambling Establishments' use of correspondent banking relationships is the special measure available under section 311 that most adequately protects the U.S. financial system from the illicit finance risk posed by transactions involving the Gambling Establishments.

V. Severability

If any of the provisions of this rule, or the application thereof to any person or circumstance, is held to be invalid, such invalidity shall not affect the application of such provisions to other persons or circumstances that can be given effect without the invalid provision or application.

The provisions of this rule can function sensibly if any specific provision or application is invalidated, enjoined, or stayed. For example, if a court were to hold as invalid the application of the rule with respect to transactions involving any identified Gambling Establishment of the Gambling Establishments, FinCEN would preserve the finding that transactions involving all other Gambling Establishments are of primary money laundering concern. In such an instance, the provisions of the rule should remain in effect, as those provisions could function sensibly with respect to the remainder of the Gambling Establishments' transactions. In sum, in the event that any of the provisions of this rule, or the application thereof to any person or circumstance, is held to be invalid, FinCEN has crafted this rule with the intention to preserve its provisions to the fullest extent possible and any adverse holding should not affect other provisions.

VI. Section-by-Section Analysis

The goal of this proposed rule is to combat and deter DTO- and FTO-affiliated money laundering and the laundering of proceeds from illicit activities including narcotics trafficking carried out by the Sinaloa Cartel, and to impede the Gambling Establishments from accessing the U.S. financial system to enable their illicit finance behavior.

A. 1010.665(a)—Definitions

1. Definition of the Gambling Establishments

This section defines the term by specific reference to the Gambling Establishments that are the subject of the finding of primary money laundering concern, and it specifically includes in the term all subsidiaries, branches, and offices of those Gambling Establishments that are operating in any jurisdiction outside of the United States:

(i). Casino Emine (San Luis Rio Colorado, Sonora);

(ii). Casino Mirage (Culiacan, Sinaloa);

(iii). Midas Casino (Agua Prieta, Sonora);

(iv). Midas Casino (Guamuchil, Sinaloa);

(v). Midas Casino (Los Mochis, Sinaloa);

(vi). Midas Casino (Mazatlan, Sinaloa);

(vii). Midas Casino (Rosarito, Baja California);

(viii). Palermo Casino (Nogales, Sonora);

(ix). Skampa Casino (Ensenada, Baja California); and,

(x). Skampa Casino (Villahermosa, Tabasco).

2. Definition of Correspondent Account

The term ''correspondent account'' has the same meaning as the definition contained in 31 CFR 1010.605(c)(1)(ii). In the case of a U.S. depository institution, this broad definition includes most types of banking relationships between a U.S. depository institution and a foreign banking institution that are established to provide regular services, dealings, and other financial transactions, including a demand deposit, savings deposit, or other transaction or asset account, and a credit account or other extension of credit. FinCEN is using the same definition of ''account'' for purposes of this proposed rule as is established for depository institutions in the final rule implementing the provisions of section 312 of the USA PATRIOT Act, requiring enhanced due diligence for correspondent accounts maintained for certain foreign banking institutions.[57] Under this definition, ''payable-through

[54] 31 U.S.C. 5318A(b)(1)(B)(i).

[55] 31 U.S.C. 5318A(b)(2).

[56] 31 U.S.C. 5318A(b)(5).

[57] *See* 31 CFR 1010.605(c)(2)(i).

accounts'' are a type of correspondent account.

In the case of securities broker-dealers, futures commission merchants, introducing brokers in commodities, and investment companies that are open-end companies (mutual funds), FinCEN is also using the same definition of ''account'' for purposes of this proposed rule as was established for these entities in the final rule implementing the provisions of section 312 of the USA PATRIOT Act, requiring due diligence for correspondent accounts maintained for certain foreign banking institutions.[58]

3. Definition of Covered Financial Institution

The term ''covered financial institution'' is defined by reference to 31 CFR 1010.605(e)(1), the same definition used in the BSA rule (31 CFR 1010.610) requiring the establishment of due diligence programs for correspondent accounts for financial institutions. Under this definition, covered financial institutions are the following:

- a bank;
- a broker or dealer in securities;
- a futures commission merchant or an introducing broker in commodities; and
- a mutual fund.

4. Definition of Foreign Banking Institution

The term ''foreign banking institution'' means a bank organized under foreign law, or an agency, branch, or office located outside the United States of a bank. The term does not include an agent, agency, branch, or office within the United States of a bank organized under foreign law.

5. Definition of Foreign Financial Institution Operating Outside of the United States

Pursuant to 31 U.S.C. 5318A(e)(4), for the proposed rule, the term ''financial institution operating outside of the United States'' means any business or agency operating, in whole or in part, outside of the United States that engages in any activity which is similar to, related to, or a substitute for any activity in which any financial institution, as defined in 31 U.S.C. 5312(a)(2), engages.

FinCEN is including this definition as the proposed definition of ''Gambling Establishments'' incorporates this phrase. As discussed above, 31 U.S.C. 5312 permits FinCEN, by regulation, to define as a ''financial institution'' any business or activity that engages in any activity that FinCEN determines is an activity similar to, related to, or a substitute for any activity in which any business defined as a ''financial institution'' in 31 U.S.C. 5312 is authorized to engage.

6. Definition of Subsidiary

The term ''subsidiary'' means a company of which more than 50 percent of the voting stock or an otherwise controlling interest is owned by another company.

B. 1010.665(b)—Prohibition on Use of Correspondent Accounts and Due Diligence Requirements for Covered Financial Institutions

1. Prohibition on Use of Correspondent Accounts

Section 1010.665(b)(1) of the proposed rule would prohibit covered financial institutions from opening or maintaining in the United States any correspondent account for or on behalf of a foreign banking institution if such correspondent account is used to process a transaction involving any of the Gambling Establishments.

2. Special Due Diligence for Correspondent Accounts to Prohibit Use

As a corollary to the prohibition set forth in section 1010.665(b)(1), section 1010.665(b)(2) of the proposed rule would require covered financial institutions to apply special due diligence to its correspondent accounts that is reasonably designed to guard against such accounts being used to process transactions involving the Gambling Establishments. That special due diligence must include notifying those foreign correspondent account holders that the covered financial institution knows or has reason to believe provide services to the Gambling Establishments that those foreign banking institutions may not provide the Gambling Establishments with access to the correspondent account maintained at the covered financial institution. This section specifies that a covered financial institution would be able to satisfy this notification requirement by using the following notice:

Notice: Pursuant to U.S. regulations issued under Section 311 of the USA PATRIOT Act, *see* 31 CFR 1010.665, we are prohibited from opening or maintaining in the United States a correspondent account that is established, maintained, administered, or managed for, or on behalf of, a foreign banking institution if such correspondent account is used to process a transaction involving Midas Casino (Mazatlan, Sinaloa), Midas Casino (Guamuchil, Sinaloa), Midas Casino (Agua Prieta, Sonora), Midas Casino (Los Mochis, Sinaloa), Midas Casino (Rosarito, Baja California), Skampa Casino (Villahermosa, Tabasco), Emine Casino (San Luis Rio Colorado, Sonora), Palermo Casino (Nogales, Sonora), Skampa Casino (Ensenada, Baja California), or Casino Mirage (Culiacan, Sinaloa), including any subsidiaries, branches, and offices of the above-listed gambling establishments. The regulations also require us to notify you that you may not provide any of the above-listed gambling establishments, including any of their respective subsidiaries, branches, and offices, with access to the correspondent account you hold at our financial institution. If we become aware that the correspondent account you hold at our financial institution has processed any transactions involving any of the above-listed gambling establishments, including any of their respective subsidiaries, branches, and offices, we will be required to take appropriate steps to prevent such access, including terminating your account.

The purpose of the notice requirement is to aid cooperation with correspondent account holders in preventing transactions involving the Gambling Establishments from accessing the U.S. financial system. FinCEN does not require or expect a covered financial institution, as part of its compliance with this notice requirement, to obtain certification from any of its correspondent account holders that access will not be provided.

Methods of compliance with the notice requirement could include, for example, transmitting a notice by mail, fax, or email. The notice should be transmitted whenever a covered financial institution knows or has reason to believe that a foreign correspondent account holder provides services to the Gambling Establishments.

Special due diligence also includes implementing risk-based procedures designed to identify any use of correspondent accounts to process transactions involving the Gambling Establishments. A covered financial institution would be expected to apply an appropriate screening mechanism to identify a funds transfer order that on its face listed one or more of the ten Gambling Establishments as the financial institution of the originator or beneficiary or otherwise referenced the Gambling Establishments in a manner detectable under the financial institution's normal screening mechanisms. An appropriate screening mechanism could be the mechanisms used by a covered financial institution to comply with various legal requirements, such as use of commercially available software programs that are already being used to comply with the economic sanction programs administered by OFAC.

[58] *See* 31 CFR 1010.605(c)(2)(ii)–(iv).

3. Recordkeeping and Reporting

Section 1010.665(b)(3) of the proposed rule would clarify that the proposed rule does not impose any reporting requirement upon any covered financial institution that is not otherwise required by applicable law or regulation. A covered financial institution must, however, document its compliance with the notification requirement described above in section 1010.665(b)(2).

VII. Request for Comments

FinCEN is requesting that comments on this NPRM be submitted within 30 days after its publication. Given the Gambling Establishments' consistent and longstanding ties to the Sinaloa Cartel, FinCEN assesses that a 30-day comment period for this NPRM strikes an appropriate balance between ensuring sufficient time for notice to the public and opportunity for comment on the proposed rule, while minimizing undue risk posed to the U.S. financial system in processing illicit transfers that are likely to finance the Sinaloa Cartel. FinCEN invites comments on all aspects of the proposed rule, including the following specific matters:

1. The impact of the proposed special measures upon legitimate transactions involving the Gambling Establishments or Mexican financial institutions generally;

2. FinCEN's proposal to prohibit the opening or maintaining of any correspondent account used to process a transaction involving the Gambling Establishments pursuant to special measure five under 31 U.S.C. 5318A(b), as opposed to imposing special measures one through four, or imposing other conditions or prohibitions under special measure five;

3. The form and scope of the notice to certain correspondent account holders that would be required under the rule;

4. The appropriate scope of the due diligence requirements in this proposed rule; and

5. The appropriate steps that a covered financial institution should take once it identifies use of one of its correspondent accounts to process transactions involving the Gambling Establishments.

VIII. Regulatory Impact Analysis

FinCEN has analyzed this proposed rule under Executive Orders 12866, 13563, the Regulatory Flexibility Act,[59] the Unfunded Mandates Reform Act,[60] and the Paperwork Reduction Act.[61]

The intended effects of the imposition of special measure five on the Gambling Establishments' transactions that, directly or indirectly, involve the use of foreign correspondent accounts with covered financial institutions, as described above, are twofold. The rule is expected to: (1) combat and deter money laundering by the Sinaloa Cartel through the Gambling Establishments; and (2) prevent the Gambling Establishments from using the U.S. financial system to enable their illicit finance activities. In the analysis below, FinCEN discusses the economic effects that are expected to accompany adoption of the rule as proposed and assesses such expectations in more granular detail. This discussion includes an explanation of how FinCEN's assumptions and methodological choices have influenced FinCEN's conclusions. The public is invited to comment on all aspects of FinCEN's practice.[62]

A. Executive Orders

Executive Orders 12866 and 13563 direct agencies to assess costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility.

A regulatory impact analysis pursuant to Executive Orders 12866 and 13563 is not required because it has been determined that this proposed rule is not a significant regulatory action under section 3(f) of Executive Order 12866. The basis for this determination includes both the estimated size of the population of expected affected parties and the estimated incremental economic costs the proposed rule is expected to impose.

As discussed in further detail below,[63] of the 15,710 entities that meet the proposed definitional criteria as covered financial institutions,[64] FinCEN estimates that only approximately 127 maintain correspondent accounts to which the proposed rule would apply.[65]

Additionally, as described above,[66] the incremental activities an affected covered financial institution would need to undertake to comply with the proposed rule are so aligned with pre-existing general anti-money laundering and countering the financing of terrorism (AML/CFT) program and suspicious activity report (SAR) reporting requirements, other section 311 compliance activities, OFAC compliance obligations,[67] and other specialized foreign correspondent account due diligence activities that the additional burden is expected to be minimal both per affected covered financial institution and on aggregate.

B. Regulatory Flexibility Act

When an agency issues a rulemaking proposal, the Regulatory Flexibility Act (RFA) requires the agency to ''prepare and make available for public comment an initial regulatory flexibility analysis'' (IRFA) that will ''describe the impact of the proposed rule on small entities.'' [68] However, section 605 of the RFA allows an agency to certify a rule, in lieu of preparing an analysis, if the proposed rulemaking is not expected to have a significant economic impact on a substantial number of small entities.

The population of affected covered financial institutions under the proposed rule is limited to those financial institutions that maintain foreign correspondent accounts. FinCEN is not in possession of any data, studies, or qualitative evidence that any such covered financial institution meets the respective definitional criteria to be deemed a ''small entity'' under the RFA.[69] Moreover, FinCEN assesses that, if such a small entity did exist, the changes in activity necessary to comply with proposed rule would be unlikely to have a significant economic impact on such entity.

Under the proposed rule, covered financial institutions would be prohibited from opening or maintaining any correspondent account in the United States that is used to process a transaction involving any of the Gambling Establishments and would

[59] 5 U.S.C. 603.

[60] 2 U.S.C. 1532.

[61] 44 U.S.C. 3507(a)(1)(D).

[62] *See supra* Section VII; *see also infra* Section VIII.D.

[63] *See infra* Section VIII.D. discussion of potentially affected parties and expected affected parties.

[64] *See supra* Section VI.A.3.

[65] *See supra* Section VI.A.2.

[66] *See supra* Section IV.B; *see also supra* Section VI.B.2.

[67] All U.S. persons, including U.S. financial institutions, currently must comply with OFAC sanctions, and U.S. financial institutions generally have systems in place to screen transactions to comply with OFAC sanctions.

[68] 5 U.S.C. 603(a).

[69] *See* 5 U.S.C. 601(3)–(5) for the applicable categorical definitions of ''entity''; *see also* 13 CFR 121.201 for the applicable threshold values of ''small.''

also be required to take reasonable measures to prevent use of their correspondent accounts to process transactions involving any of the Gambling Establishments. Affected U.S. financial institutions, irrespective of size, are already obligated to comply with broader regulatory requirements, and they typically maintain compliance systems that can utilized to ensure compliance with this proposed rule. As a result, the special due diligence that would be required under the proposed rule—*i.e.,* preventing the processing of transactions involving any the Gambling Establishments and the transmittal of notification to certain correspondent account holders—is not expected to impose a significant additional economic burden upon any U.S. financial institution, including any that would qualify as a small entity under the RFA. For these reasons, FinCEN certifies that the proposals contained in this rulemaking would not have a significant impact on a substantial number of small businesses.

Its own determination notwithstanding, FinCEN invites comments from members of the public who believe certification is not appropriate because there would be a significant economic impact on a substantial number of small entities from the imposition of a prohibition under the fifth special measure on the Gambling Establishments as defined.

C. Unfunded Mandates Reform Act

Section 202 of the Unfunded Mandates Reform Act of 1995 [70] (Unfunded Mandates Reform Act), requires that an agency prepare a budgetary impact statement before promulgating a rule that may result in expenditure by state, local, and tribal governments, in the aggregate, or by the private sector, of USD 100 million or more in any one year, adjusted for inflation.[71] If a budgetary impact statement is required, section 202 of the Unfunded Mandates Reform Act also requires an agency to identify and consider a reasonable number of regulatory alternatives before promulgating a rule.[72]

FinCEN has determined that this proposed rule will not result in expenditures by state, local, and tribal governments in the aggregate, or by the private sector, of an annual USD 100 million or more, adjusted for inflation (USD 187 million).[73] Accordingly, FinCEN has not prepared a budgetary impact statement. The regulatory alternatives considered are discussed above.[74]

D. Paperwork Reduction Act

The recordkeeping requirements contained in this proposed rule, which qualify as ''collections of information'' under the Paperwork Reduction Act of 1995 [75] (PRA), will be submitted to the Office of Management and Budget (OMB) for review in accordance with the PRA. Under the PRA, an agency may not conduct or sponsor a collection of information unless it obtains and displays a valid control number assigned by the OMB.[76] Written comments and recommendations for the proposed prohibition can be submitted by visiting *www.reginfo.gov/public/do/PRAMain.* Find this particular document by selecting ''Currently under Review—Open for Public Comments'' or by using the search function. Comments are welcome and must be received by December 17, 2025. In accordance with requirements of the PRA and its implementing regulations, 5 CFR part 1320, the following information concerning the collection of information as required by 31 CFR 1010.665 is presented to assist those persons wishing to comment on the information collections.

The provisions in this proposed rule pertaining to the collection of information can be found in sections 1010.665(b)(2)(i)(A) and 1010.665(b)(3). The notification requirement in section 1010.665(b)(2)(i)(A) is intended to aid cooperation from foreign correspondent account holders in preventing transactions involving the Gambling Establishments from being processed by the U.S. financial system. The information required to be maintained by section 1010.665(b)(3) will be used by federal agencies and certain self-regulatory organizations to verify compliance by covered financial institutions with the notification requirement in section 1010.665(b)(2)(i)(A). The collection of information would be mandatory.

Frequency: As required.

Description of Affected Financial Institutions: Only those covered financial institutions defined in section 1010.665(a)(3) that are engaged in processing transactions potentially involving the Gambling Establishments as defined in section 1010.665(b)(1) would be affected.

Estimated Number of Potential Respondents: Approximately 15,710.[77]

TABLE 1—ESTIMATES OF COVERED FINANCIAL INSTITUTIONS BY TYPE

Financial institution type	Number of entities
Banks with a federal functional regulator (FFR) [a]	[b] 8,995
Banks without an FFR [c]	[d] 395
Broker-dealers in securities [e]	[f] 3,320
Open end mutual funds [g]	[h] 2,036
Futures commission merchants [i]	[j] 65
Introducing brokers in commodities [k]	[l] 899

[a] *See* 31 CFR 1010.100(t)(1); *see also* 31 CFR 1010.100(d).

[b] Bank data is as of Jan. 17, 2025, from Federal Deposit Insurance Corporation BankFind, *https://banks.data.fdic.gov/bankfind-suite/bankfind.* Credit union data is as of September 2024 from the National Credit Union Administration Quarterly Data Summary Reports, *https://ncua.gov/analysis/credit-union-corporate-call-report-data/quarterly-data-summary-reports.*

[c] 31 CFR 1020.210(b).

[70] 2 U.S.C. 1532.

[71] *Id.*

[72] *Id.*

[73] The Unfunded Mandates Reform Act requires an assessment of mandates that will result in an annual expenditure of USD 100 million or more, adjusted for inflation. The U.S. Bureau of Economic Analysis reports the annual value of the gross domestic product (GDP) deflator for calendar year 1995, the year of the Unfunded Mandates Reform Act, as 66.939, and as 125.428 for the calendar year 2024, the most recent available. *See* U.S. Bureau of Economic Analysis, *Table 1.1.9. Implicit Price Deflators for Gross Domestic Product, https://www.bea.gov/itable/* (last accessed Oct. 3, 2025). Thus, the inflation adjusted estimate for USD 100 million is 125.428/66.939 × 100 = USD 187.377 million.

[74] *See supra* Section IV.E.

[75] 44 U.S.C. 3507(a)(1)(D).

[76] 44 U.S.C. 3507(a)(3).

[77] This estimate is informed by public and non-public data sources regarding both an expected maximum number of entities that may be affected and the number of active, or currently reporting, registered financial institutions.

[d] The Board of Governors of the Federal Reserve System Master Account and Services Database contains data on financial institutions that utilize Reserve Bank financial services, including those with no federal regulator. FinCEN used this data to identify 395 banks and credit unions utilizing Reserve Bank financial services with no federal regulator. *See* Board of Governors of the Federal Reserve System, Master Account and Services Database, *https://www.federalreserve.gov/paymentsystems/master-account-and-services-database-existing-access.htm*.

[e] 31 CFR 1010.100(t)(2).

[f] According to the Securities and Exchange Commission (SEC), there are 3,320 broker-dealers in securities as of March 2025 from website ''Company Information About Active Broker-Dealers,'' *https://www.sec.gov/foia-services/frequently-requested-documents/company-information-about-active-broker-dealers*.

[g] *See* 31 CFR 1010.100(t)(10); *see also* 31 CFR 1010.100(gg).

[h] According to the SEC, in 2024 there were 2,036 open-end registered investment companies that report on Form N–CEN. SEC, ''Form N–CEN Data Sets,'' *https://www.sec.gov/dera/data/form-ncen-data-sets*.

[i] 31 CFR 1010.100(t)(8).

[j] According to the Commodity Futures Trading Commission (CFTC), there are 65 futures commission merchants as of November 30, 2024. *See* CFTC, ''Financial Data for FCMs,'' *https://www.cftc.gov/MarketReports/financialfcmdata/index.htm*.

[k] 31 CFR 1010.100(t)(9).

[l] According to the National Futures Association, there are 899 introducing brokers in commodities as of Dec. 31, 2024 from website ''NFA Membership Totals,'' *https://www.nfa.futures.org/registration-membership/membership-and-directories.html*.

Estimated Number of Expected Respondents: Approximately 127.[78]

TABLE 2—ESTIMATES OF AFFECTED FINANCIAL INSTITUTIONS BY TYPE

Financial institution type	Number of entities
Banks with a FFR	[a] 60
Banks without a FFR	[b] 17
Broker-dealers in securities	[c] 26
Open end mutual funds	[d] 16
Futures commission merchants	[e] 1
Introducing brokers in commodities	[f] 7

[a] Data are from the FFIEC Central Data Repository for Reports of Condition and Income (Call Reports) and Uniform Bank Performance Reports (UBPRs), available for most FDIC-insured institutions. Using this source of data, FinCEN determines that as of Q3 2024, approximately 60 banks (as defined by FinCEN regulations, *see* 31 CFR 1010.100(d)) will be affected by this rule on any given year. Specifically, we determine that there are approximately 60 banks that report non-zero values for deposit liabilities of banks in foreign countries. Deposit liabilities in a foreign country is an indication that a bank maintains correspondent accounts with a foreign financial institution.

[b] The Board of Governors of the Federal Reserve System Master Account and Services Database contains data on financial institutions that utilize Reserve Bank financial services, including those with no federal regulator. FinCEN used this data to identify an additional 17 international banking entities with no federal regulator and that do not file Call Reports, but that are also likely to maintain correspondent accounts with a foreign financial institution.

[c] Broker dealers, unless they are publicly traded, are not required to make reports indicating whether they have foreign correspondent accounts or hold foreign deposits. FinCEN reviewed financial statement data from 10–Q and 6–K filings with the SEC and identified nine publicly traded broker dealers with US operations that reported foreign deposits. FinCEN also examined SARs filed by broker dealers in 2024 to identify another two non-publicly traded broker dealers who appeared likely to be maintaining foreign deposits. However, because many broker dealers are not publicly traded and did not file SARs, FinCEN conservatively estimates that the proportion of broker dealers with foreign correspondent accounts will be similar to the proportion for banks (approximately 0.8%). 0.8% of 3,320 active broker dealers is approximately 26 broker dealers assumed to have foreign correspondent accounts.

[d] Mutual funds, futures commission merchants, and introducing brokers in commodities generally use intermediary U.S. banks to move and maintain client deposits and funds for investment. Therefore, it is unlikely that many of these institutions will maintain direct correspondent accounts with foreign financial institutions outside of their existing upstream banking relationships. However, because these institutions may in some cases receive deposits from, make payments or other disbursements, or otherwise transact directly with foreign financial institutions, FinCEN conservatively estimates that the proportion of mutual funds with foreign correspondent accounts will be similar to the proportion for banks (approximately 0.8%). 0.8% of 2,036 active mutual funds is approximately 16 mutual funds assumed to have foreign correspondent accounts.

[e] 0.8% of 65 active futures commission merchants is approximately one futures commission merchant assumed to have foreign correspondent accounts.

[f] 0.8% of 899 active introducing brokers in commodities is approximately seven introducing brokers in commodities assumed to have foreign correspondent accounts.

Estimated Average Annual Burden in Hours per Affected Financial Institution:

Imposing special measure five requirements as described in this proposed rule is expected to result in a new, incremental recordkeeping burden on certain covered financial institutions as described above. Each anticipated component of this is outlined below.

Each affected covered financial institution is expected to incur a recordkeeping burden associated with preparing and retaining the materials necessary to demonstrate compliance with the proposed requirements. This is expected to include records related to:

A. Documenting the reasonable steps the financial institution undertakes to ensure no transactions involving any of the Gambling Establishments are processed for a foreign correspondent account, including:

1. Any investigative activities undertaken when the financial institution knows or has reason to believe that a foreign bank's correspondent account has been or is being used to process transactions involving any of the Gambling Establishments.

2. Any subsequent activities undertaken to prevent such access, including, where necessary, termination of the correspondent account.

[78] While this regulation applies to all covered institutions described in Table 1, in practice the burden will only fall on those institutions that actually maintain correspondent accounts for foreign banking institutions. Table 2 below presents an estimate of this subpopulation of banks, brokers or dealers in securities, mutual funds, futures commission merchants, and introducing brokers in commodities based on data from the most recent calendar year end.

B. Notifying, and documenting that the financial institution has provided notice to, foreign correspondent account holders that the financial institution knows or has reason to believe provide services to any of the Gambling Establishments, that such correspondents may not provide any of the Gambling Establishments with access to the correspondent account maintained at the financial institution.

C. Documenting the reasonable steps it took with respect to special due diligence requirements, including but not limited to, the reasoning that informed decisions to adopt (or not adopt) new measures adding to its existing risk-based approach, and those new measures, if adopted.

The estimated average annual burden associated with the collection of information in this proposed rule in the first year of operations is, in total, one business day, or eight hours per affected financial institution.

Estimated Total Annual Burden in Year One: Approximately 1,016 hours.[79]

Estimated Total Annual Cost in Year One: Approximately $121,920.[80]

In subsequent years, FinCEN estimates that the average annual burden associated with the collection of information will be significantly reduced.[81] FinCEN expects that the ongoing burden of compliance with FinCEN special measures would primarily accrue in connection with the opening of new foreign correspondent accounts, at which point a covered financial institution would need to ensure that new account holders receive information on entities subject to special measures and agree not to conduct transactions on their behalf. FinCEN has previously estimated that financial institutions that maintain foreign correspondent accounts will open an average of 10 new accounts per year.[82] FinCEN expects the time burden of special measure compliance associated with these new accounts will not exceed 15 minutes (0.25 hours) per affected financial institution.

Table 3 presents a summary of FinCEN's estimates of PRA Burden as expected to accrue during the first three years in which the final rule is effective and provides a basis for the expected average annual costs as estimated over the same time horizon.

TABLE 3—PRA THREE-YEAR PRO FORMA BURDEN ESTIMATES

Year	Number of respondents	Hours per respondent	Total burden hours
1	127	8.00	1,016.00
2	127	0.25	31.75
3	127	0.25	31.75
Average	127	2.83	359.83

Estimated Three-Year Average Aggregate Annual Burden: Approximately 360[83] hours on average, per year.

Estimated Three-Year Average Aggregate Annual Cost: Approximately $43,277.16.[84]

FinCEN invites comments on: (1) whether the proposed collection of information found in 31 CFR 1010.665(b)(3) is necessary for the proper performance of the mission of FinCEN, including whether the information would have practical utility; (2) the accuracy of FinCEN's estimate of the burden of the proposed collection of information; (3) ways to enhance the quality, utility, and clarity of the information required to be maintained; (4) ways to minimize the burden of the required collection of information, including through the use of automated collection techniques or other forms of information technology; and (5) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to report the information.

IX. Regulatory Text

List of Subjects in 31 CFR Part 1010

Administrative practice and procedure, Banks, Banking, Brokers, Crime, Foreign banking, Terrorism.

Authority and Issuance

For the reasons set forth in the preamble, FinCEN proposes amending 31 CFR part 1010 as follows:

PART 1010—GENERAL PROVISIONS

■ 1. The authority citation for part 1010 continues to read as follows:

Authority: 12 U.S.C. 1829b and 1951–1959; 31 U.S.C. 5311–5314, 5316–5336; title III, sec. 314, Pub. L. 107–56, 115 Stat. 307; sec. 2006, Pub. L. 114–41, 129 Stat. 457; sec. 701 Pub. L. 114–74, 129 Stat. 599; sec. 6403, Pub. L. 116–283, 134 Stat. 3388.

■ 2. Add 1010.665 to read as follows:

§ 1010.665 Special measures regarding the Gambling Establishments.

(a) *Definitions.* For purposes of this section, the following terms have the following meanings.

(1) *Gambling Establishments.* The term ''Gambling Establishments'' means the following 10 financial institutions operating outside of the United States that engage in activity in Mexico which is similar to, related to, or a substitute for activities in which casinos, gambling casinos, and/or gaming establishments, as defined in 31 U.S.C. 5312(a)(2)(X), engage, as well as all subsidiaries,

[79] 127 expected respondents multiplied by eight hours per respondent equals 1,016 total annual burden hours.

[80] The wage rate applied here is a general composite hourly wage ($84.55), scaled by a private-sector benefits factor of 1.42 ($120.07 = $84.55 × 1.42), that incorporates the mean wage data (available for download at *https://www.bls.gov/oes/tables.htm,* ''May 2023—National industry-specific and by ownership'') associated with the six occupational codes (11–1010: Chief Executives; 11–3021: Computer and Information Systems Managers; 11–3031: Financial Managers; 13–1041: Compliance Officers; 23–1010: Lawyers and Judicial Law Clerks; 43–3099: Financial Clerks, All Other) for each of the nine groupings of NAICS industry codes that FinCEN determined are most directly comparable to its eleven categories of covered financial institutions as delineated in 31 CFR parts 1020 to 1030. The benefit factor is 1 plus the benefit/wages ratio, where as of June 2023, Total Benefits = 29.4 and Wages and salaries = 70.6 (29.4/70.6 = 0.42) based on the private industry workers series data downloaded from *https://www.bls.gov/news.release/archives/ecec_09122023.pdf* (accessed Dec. 22, 2024). Given that many occupations provide benefits beyond cash wages (*e.g.,* insurance, paid leave, etc.), the private sector benefit is applied to reflect the total cost to the employer. 1,016 total annual burden hours multiplied by $120 per hour equals a total annual cost of $121,920.

[81] *See supra* Section VI.B. discussion of how compliance with the final rule is expected to be integrated into covered financial institutions' broader OFAC sanctions and 311 special measures compliance activities.

[82] *See* FinCEN, *Renewal Without Change of Prohibition on Correspondent Accounts for Foreign Shell Banks; Records Concerning Owners of Foreign Banks and Agents for Service of Legal Process,* 90 FR 21987 at 21994 (May 22, 2025), *https://www.federalregister.gov/d/2025-09162/p-134.*

[83] This estimate is the average of 1,016 expected burden hours in year one of implementation and 31.75 hours in years two and three, respectively, rounded to the nearest whole hour.

[84] An average annual burden of 63.5 hours over 3 years multiplied by $120.07 per hour equals an average annual cost of $43,277.16.

branches, and offices of those gambling establishments operating as in any jurisdiction outside of the United States:

(i) Casino Emine (San Luis Rio Colorado, Sonora);

(ii) Casino Mirage (Culiacan, Sinaloa);

(iii) Midas Casino (Agua Prieta, Sonora);

(iv) Midas Casino (Guamuchil, Sinaloa);

(v) Midas Casino (Los Mochis, Sinaloa);

(vi) Midas Casino (Mazatlan, Sinaloa);

(vii) Midas Casino (Rosarito, Baja California);

(viii) Palermo Casino (Nogales, Sonora);

(ix) Skampa Casino (Ensenada, Baja California); and,

(x) Skampa Casino (Villahermosa, Tabasco).

(2) *Correspondent account.* The term ''correspondent account'' has the same meaning as provided in 1010.605(c)(l)(ii).

(3) *Covered financial institution.* The term ''covered financial institution'' has the same meaning as provided in 1010.605(e)(1).

(4) *Foreign banking institution.* The term ''foreign banking institution'' means a bank organized under foreign law, or an agency, branch, or office located outside the United States of a bank. The term does not include an agent, agency, branch, or office within the United States of a bank organized under foreign law.

(5) *Financial institution operating outside of the United States.* The term ''financial institution operating outside of the United States'' means any business or agency operating, in whole or in part, outside of the United States that engages in any activity which is similar to, related to, or a substitute for any activity in which any financial institution, as defined in 31 U.S.C. 5312(a)(2), engages.

(6) *Subsidiary.* The term ''subsidiary'' means a company of which more than 50 percent of the voting stock or an otherwise controlling interest is owned by another company.

(b) *Prohibition on accounts and due diligence requirements for covered financial institutions.*

(1) *Prohibition on use of correspondent accounts.* A covered financial institution shall not open or maintain in the United States a correspondent account that is established, maintained, administered, or managed for, or on behalf of, a foreign banking institution if such correspondent account is used to process a transaction involving any of the Gambling Establishments.

(2) *Special due diligence of correspondent accounts to prohibit use.*

(i) A covered financial institution shall apply special due diligence to its foreign correspondent accounts that is reasonably designed to guard against their use to process transactions involving any of the Gambling Establishments. At a minimum, that special due diligence must include:

(A) Notifying those foreign correspondent account holders that the covered financial institution knows or has reason to believe provide services to any of the Gambling Establishments that such correspondents may not provide any of the Gambling Establishments with access to the correspondent account maintained at the covered financial institution; and

(B) Taking reasonable steps to identify any use of its foreign correspondent accounts by any of the Gambling Establishments, to the extent that such use can be determined from transactional records maintained in the covered financial institution's normal course of business.

(ii) A covered financial institution shall take a risk-based approach when deciding what, if any, other due diligence measures it reasonably must adopt to guard against the use of its foreign correspondent accounts to process transactions involving any of the Gambling Establishments.

(iii) A covered financial institution that knows or has reason to believe that a foreign bank's correspondent account has been or is being used to process transactions involving any of the Gambling Establishments shall take all appropriate steps to further investigate and prevent such access, including the notification of its correspondent account holder under paragraph (b)(2)(i)(A) of this section and, where necessary, termination of the correspondent account.

(3) *Recordkeeping and reporting.*

(i) A covered financial institution is required to document its compliance with the notification requirement set forth in paragraph (b)(2)(i)(A) of this section.

(ii) Nothing in paragraph (b) of this section shall require a covered financial institution to report any information not otherwise required to be reported by law or regulation.

Dated: November 13, 2025.

Andrea M. Gacki,

Director, Financial Crimes Enforcement Network.

[FR Doc. 2025–19927 Filed 11–14–25; 8:45 am]

BILLING CODE 4810–02–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R06–OAR–2024–0031; FRL–12970–01–R6]

Air Plan Approval; Oklahoma; Updates to the State Implementation Plan for New Source Review Permitting and General SIP Provisions

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: Pursuant to the Federal Clean Air Act (CAA or the Act), the Environmental Protection Agency (EPA) is proposing to approve identified portions of revisions to the Oklahoma State Implementation Plan (SIP) submitted by the State of Oklahoma designee between 2002 and 2025 to update the Oklahoma New Source Review (NSR) permit program and make general updates to the Oklahoma SIP.

DATES: Written comments must be received on or before December 17, 2025.

ADDRESSES: Submit your comments, identified by Docket No. EPA–R06–OAR–2024–0031, at *https://www.regulations.gov* or via email to *wiley.adina@epa.gov.* Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from *Regulations.gov*. The EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. The EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.,* on the web, cloud, or other file sharing system). For additional submission methods, please contact Adina Wiley, telephone number (214) 665–2115, email address: *wiley.adina@epa.gov.* For the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit *https://www.epa.gov/dockets/commenting-epa-dockets.*

Docket: The index to the docket for this action is available electronically at *https://www.regulations.gov.* While all