

United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

February 13, 2025

The Honorable Scott Bessent
Secretary
Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Dear Secretary Bessent:

We write to ensure that the Department of the Treasury does not weaken our national security by eliminating or failing to fill positions in its Office of Terrorism and Financial Intelligence (TFI). TFI has broad responsibilities for using policy, enforcement, intelligence, and regulatory tools to advance our foreign policy and national security while protecting the integrity of the U.S. and international financial systems.¹

TFI's workforce is essential to keeping us safe as a country. TFI employees track and disrupt terrorist financing, generate intelligence reporting about illicit actors and U.S. adversaries, and press foreign governments to close illicit finance vulnerabilities.² They are a key resource for law enforcement, following the financial trails that criminals leave as they try to launder the proceeds of crimes or attempt to spend their ill-gotten profits.³ TFI's role has become more important in recent years, as it is responsible for implementing and enforcing a wide range of U.S. sanctions programs even as increasing policy demand for use of these tools has outpaced growth in resourcing for the mission.

We are concerned about TFI resources and staffing given the troubling reports that the Administration is sidelining career national security personnel in other parts of the government.⁴ Administration officials are reportedly undermining hiring in our intelligence community by asking job candidates about their views regarding January 6, 2021, and the 2020 election.⁵ More broadly,

¹ U.S. Department of the Treasury, "Terrorism and Financial Intelligence," <https://home.treasury.gov/about/offices/terrorism-and-financial-intelligence>.

² *Id.*

³ Financial Crimes Enforcement Network, "What We Do," <https://fincen.gov/about/what-we-do>.

⁴ Associated Press, "160 national security staffers are sent home as the White House aligns its team to Trump's agenda," Zeke Miller and Aamer Madhani, January 22, 2025, <https://apnews.com/article/trump-national-security-council-staffers-d167985d61c96dd278b0e58a402ff865>.

⁵ Washington Post, "U.S. intelligence, law enforcement candidates face Trump loyalty test," Ellen Nakashima and Warren P. Strobel, February 9, 2025, <https://www.washingtonpost.com/national-security/2025/02/08/trump-administration-job-candidates-loyalty-screening/>.

the Administration is rashly slashing staff, programs, and even departments established by Congress despite potentially devastating harms that cannot easily be undone.

President Trump issued a Presidential Memorandum on January 20, 2025 that instituted an immediate hiring freeze, with exemptions, across the federal civil service.⁶ The Office of Management and Budget (OMB) and the Office of Personnel Management (OPM) then issued a memorandum identifying “mandatory exemptions” from the freeze. It made clear that executive departments and agencies are required to exempt from the hiring freeze “positions related to immigration enforcement, national security, or public safety.”⁷ Those exemptions plainly cover national security positions in TFI. The OPM memorandum also provided a series of additional, permitted exemptions. For example, it explained that agency heads may exempt positions they deem necessary to “meet national security (including foreign relations) responsibilities.”⁸

TFI has used its national security tools across administrations, including to advance goals that the Trump Administration has said it shares. For example, in recent years, Treasury has applied targeted sanctions against those responsible for bringing fentanyl into the United States, like traffickers, cartel members, and Chinese companies selling precursor chemicals.⁹ Multiple rounds of sanctions have been implemented pursuant to a 2021 executive order that declared a national emergency to address the fentanyl crisis.¹⁰ Treasury has also used existing authorities to sanction human smuggling networks that unlawfully bring migrants into the United States, using existing authorities to counter transnational criminal organizations.¹¹

Given TFI’s clear national security mission, we seek to confirm that Treasury has not paused hiring for TFI or rescinded job offers, including tentative or conditional offers already accepted by individuals who successfully navigated an extensive hiring process because they seek to help defend our country and our financial system.

The Administration’s attempt to pressure other parts of the federal workforce—including national security staff—has alarmed longtime national security officials.¹² Although the Department of Defense has reportedly told all of its employees that they will be exempt from the hiring freeze and that “normal hiring actions and onboarding may continue,”¹³ we are not aware of any similar communication from Treasury leadership to clarify which roles and onboarding processes are covered by exemptions. To address our concerns about the damaging impact of President Trump’s

⁶ The White House, “Hiring Freeze,” January 20, 2025, <https://www.whitehouse.gov/presidential-actions/2025/01/hiring-freeze/>.

⁷ U.S. Office of Management and Budget and U.S. Office of Personnel Management, “Federal Civilian Hiring Freeze Guidance,” Matthew J. Vaeth and Charles Ezell, January 20, 2025, <https://www.opm.gov/media/zkebfxow/omb-opm-federal-civilian-hiring-freeze-guidance-1-20-2025-final.pdf>.

⁸ *Id.*

⁹ See, e.g., U.S. Department of the Treasury, “Treasury Targets Large Chinese Network of Illicit Drug Producers,” October 3, 2023, <https://home.treasury.gov/news/press-releases/jy1779>.

¹⁰ Executive Order 14059, “Imposing Sanctions on Foreign Persons Involved in the Global Illicit Drug Trade,” December 15, 2021, <https://www.federalregister.gov/documents/2021/12/17/2021-27505/imposing-sanctions-on-foreign-persons-involved-in-the-global-illicit-drug-trade>.

¹¹ See, e.g., U.S. Department of the Treasury, “Treasury Targets Transnational Criminal Organization Smuggling Migrants into the United States,” July 18, 2024, <https://home.treasury.gov/news/press-releases/jy2470>.

¹² NPR, “Trump offers deferred resignation to national security and intelligence workers,” Jenna McLaughlin, February 5, 2025, <https://www.npr.org/2025/02/05/nx-s1-5287792/trump-deferred-resignation-cia-nsa-odni-national-security-intelligence>.

¹³ Military Times, “All of DOD exempt from White House’s civilian hiring freeze,” Karen Jowers, January 29, 2025, <https://www.militarytimes.com/news/pentagon-congress/2025/01/29/all-of-dod-exempt-from-white-houses-civilian-hiring-freeze/>.

hiring freeze on national security personnel, we request that you answer the following questions by February 20, 2025:

1. Has Treasury paused or halted hiring for any TFI positions on or after January 20, 2025?
2. Has Treasury rescinded any job offers on or after January 20, 2025 that prospective TFI employees had already accepted?
3. What efforts, if any, have you initiated to apply the mandatory national security exemption to TFI hiring and to reverse any job offer rescissions that may have been communicated despite the mandatory exemption?
4. What efforts have you initiated to identify Treasury roles outside of TFI that are covered by the mandatory exemption, such as positions in the Office of International Affairs and the Office of Economic Policy that may work with TFI on sanctions impact analysis?
5. Have you issued any communication, like that issued by the Department of Defense, to TFI and other offices that may have roles covered by the exemptions?
6. Has Treasury made use of the additional, permitted exemption for any positions that it deems necessary to meet “foreign relations” responsibilities, such as positions in the Office of International Affairs?¹⁴
7. For positions not covered by a mandatory exemption, has Treasury requested use of the additional, permitted exemption to renew job offers to individuals with confirmed start dates after February 8, 2025?¹⁵
8. What, if anything, has OPM communicated to Treasury regarding the hiring freeze other than publicly available guidance, including in response to any Treasury requests to make use of permitted exemptions?

Sincerely,



Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs



Andy Kim
United States Senator

¹⁴ U.S. Office of Management and Budget and U.S. Office of Personnel Management, “Federal Civilian Hiring Freeze Guidance,” Matthew J. Vaeth and Charles Ezell, January 20, 2025, <https://www.opm.gov/media/zkebfxow/omb-opm-federal-civilian-hiring-freeze-guidance-1-20-2025-final.pdf>.

¹⁵ *Id.*

Mark R Warner

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