6 Compliance Trends to Watch in 2025:

What's changing — and what's not

The regulatory world rarely stands still, and 2025 is looking to be no exception.

With Donald Trump returning to the White House this year, compliance officers are balancing familiar priorities with emerging challenges. From the rise of self-reliant FinTechs to the unpredictable trajectory of cryptocurrency regulation, here's what's changing — and what's not—in 2025.

1. AML requirements remain a cornerstone

Anti-Money Laundering (AML) remains a foundational focus, especially considering President Trump's emphasis on border security and crime prevention.

"There's not going to be any kind of reduction in focus on AML requirements," said Deb Geister, Head of Sponsorship Bank at Socure. "The Trump administration's emphasis on border security and preventing drugs and crime makes AML a critical tool in supporting these national priorities."

The continued focus on AML aligns closely with the broader goals of the Anti-Money Laundering Act of 2020 (AMLA 2020), which introduced significant reforms to improve the detection and prevention of financial crime.

Geister explained, "The AML laws that were passed in 2020 are restructuring the framework. These same conversations are happening in Europe, focusing on better detection and mitigation strategies. Policymakers are looking for better ways to shore up the financial system under AML rules."

2. FinTechs poised for independence

The possibility of FinTechs securing their own charters marks a potential turning point in 2025.

"There's been discussion around granting FinTechs their own charters, which would be a game changer for the sponsor bank and FinTech ecosystem," Geister explained. "Larger companies could take control of their compliance processes, but achieving this independence will require them to meet the same regulatory standards as banks."

She further elaborated, "If a FinTech no longer needs a sponsor bank, the bank loses revenue from that relationship but also sheds the regulatory burden. However, FinTechs must demonstrate robust compliance capabilities, particularly in AML, to gain independence."

3. Identity verification modernizes

Outdated Customer Identification Program (CIP) methods are being replaced with evidence-based verification approaches.

“Since 2003, we’ve relied on collecting four data elements — name, address, Social Security number, and date of birth—to establish identity,” Geister noted. “However, these elements are compromised and easily purchased on the dark web. This outdated process needs additional layers of assurance.”

Regulators are pushing for document verification, biometrics, and liveness detection to enhance identity verification.

“Policy makers are prioritizing document verification, likely placing it at the top of the process,” Geister explained. “This shift integrates biometrics and relegates traditional non-documentary tools to a supporting role.”

Compliance teams must adapt to these enhanced processes, which include:

- Document verification: AI-validated government IDs
- Biometric matching: Selfies compared to ID photos
- Liveness detection: Real-time captures to prevent spoofing

4. Cryptocurrency regulation remains unpredictable

Cryptocurrency continues to be a wildcard for compliance officers.

Regulatory uncertainty centers around whether oversight will fall under the Securities and Exchange Commission (SEC) or the Commodity Futures Trading Commission (CFTC).

Geister explained, "There’s a material difference depending on whether jurisdiction falls under the SEC, which requires securitization, or the CFTC, which doesn’t. The Trump administration appears to lean toward the CFTC, which would give crypto much more latitude."

This shift toward deregulation, or greater mainstream adoption of crypto, could also make it harder to spot issues like money laundering. Geister elaborated, “If crypto is deregulated, or if it becomes more mainstream, it's going to introduce a whole lot more challenges to be able to detect fraud within the typical financial services platform.”

5. Deregulation offers select relief

Deregulation in specific areas, such as capitalization requirements, may ease compliance burdens for financial institutions. “They’re talking about relaxing rules around capitalization,” Geister observed. “This could create business opportunities for banks while removing some burdens.”

The relaxation of capitalization rules is significant, as current requirements often demand banks maintain reserves that are six times their deposit amounts to mitigate losses. Geister explained, “Not having to hold such large capital reserves will open up opportunities for banks to invest in other areas.”

Additionally, delays in implementing the Corporate Transparency Act’s Ultimate Beneficial Ownership (UBO) requirements offer short-term relief to financial institutions. Geister noted, “Ultimate Beneficial Ownership rules are currently halted due to an injunction. While this reduces short-term regulatory focus, UBO remains essential for mitigating AML risks.”

6. AI adoption accelerates

Unsurprisingly, artificial intelligence is set to transform compliance efforts. However, as Geister pointed out, the path to full integration won’t be without challenges.

“AI is something that regulators are encouraging for compliance, and it's going to be a process for financial institutions to prove the controls and get comfortable with the interface. So there's a lot of tire-kicking that’s going to happen.”

In other words, while AI holds promise for streamlining processes and enhancing detection capabilities, financial institutions must navigate a trial-and-error phase, ensuring that AI systems are transparent, reliable, and aligned with regulatory requirements.

For now, the focus remains on testing and validating AI's role in compliance before it can deliver its full potential.

Navigating 2025: Balancing change and continuity in regulatory compliance

Regulatory compliance in 2025 will require teams to remain vigilant and adaptable as priorities take shape in the first months of the administration. “After the first 100 days, you usually see where things are heading. You can re-triangulate and decide if adjustments are needed,” Geister said.

This early window will provide valuable insights into the direction of regulatory changes. Key areas of focus include:

- Reinforcing AML practices to align with national priorities like border security and crime prevention.
- Shifting to evidence-based identity verification to strengthen fraud detection.
- Adapting to FinTech independence as chartering regulations evolve.
- Monitoring cryptocurrency developments to manage emerging risks and opportunities.
- Integrating AI cautiously to enhance efficiency without compromising oversight.

Some compliance priorities will change under the Trump administration, others won't — but no matter what, organizations will have to stay agile, informed, and ready to act.