



TO: NCUA Board

DATE: December 10, 2020

FROM: Office of Examination and Insurance

SUBJ: Proposed Rule – Bank
Secrecy Act

ACTION REQUESTED: Board approval, by notation vote, to issue the attached proposed rule.

DATE ACTION REQUESTED: December 20, 2020

OTHER OFFICES CONSULTED: Office of General Counsel.

VIEWS OF OTHER OFFICES CONSULTED: Concur.

BUDGET IMPACT, IF ANY: None.

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes.

RESPONSIBLE STAFF MEMBERS: Timothy Segerson, Deputy Director, Office of Examination and Insurance; Justin Anderson, Senior Staff Attorney, Damon Frank, Staff Attorney, and Chrisanthy Loizos, Senior Staff Attorney, Office of General Counsel.

SUMMARY: The proposed rule would modify the requirements for federally insured credit unions (FICUs) to file Suspicious Activity Reports (SAR). The proposed rule would enable the Board to grant relief to FICUs that develop innovative solutions to meet Bank Secrecy Act requirements more efficiently and effectively. Specifically, the proposed rule would amend the NCUA's SAR regulation to allow the Board to issue exemptions from the requirements of this regulation. For requirements that are also covered by FinCEN's regulations, the NCUA would seek FinCEN's concurrence. The NCUA may also consult with state regulators and the other federal banking agencies on exemption requests.

The Board may issue the attached proposed rule by notation vote under 12 C.F.R. § 791.4(b)(1). The aforementioned section permits the Board to act by notation vote for, among other things, the issuance of interagency rules. The attached rule is an interagency rule related to exemptions to the requirements to issue SARs.

RECOMMENDED ACTION: Board approval, by notation vote, of the attached proposed rule for publication in the *Federal Register* with a 30-day comment period.

ATTACHMENT: Proposed rule.