

Congress of the United States
Washington, DC 20515

March 23, 2020

Kenneth Blanco
Director
Financial Crimes Enforcement Network
U.S. Department of the Treasury
P.O. Box 39
Vienna, Virginia 22183

Dear Director Blanco,

We write regarding financial institutions' regulatory reporting requirements during this COVID-19 pandemic. We welcome FinCEN's recent statement encouraging financial institutions to communicate with the agency regarding any delays with their ability to file Bank Secrecy Act (BSA) reports on time. While we appreciate the role and importance of BSA information plays in protecting the nation from criminals and terrorists, we believe that thoughtful, targeted reporting relief would help to free up financial institutions to focus on their most urgent missions during this pandemic.

We have heard from small and midsize institutions in our home states that their regulatory compliance teams are stretched thin with trying to stay on top of all of the demands associated with the pandemic. At the direction of public health officials, large numbers of financial services industry personnel are working remotely. Many compliance staff have BSA obligations but do not have access to FinCEN's reporting portal, making it difficult for them to process and submit BSA reports in a timely manner. Relief for filing currency transaction reports (CTRs) would help financial institutions focus on the most critical matters like serving their customers and making loans in their communities during this challenging time.

It is also important to note that CTRs are a major regulatory compliance burden for small community banks and credit unions, but they are not as significant of a burden for our nation's largest banks. To put this in perspective, a recent LexisNexis study showed that large banks spend roughly 0.08% of their assets on BSA/ AML compliance, because these banks have large, sophisticated compliance departments that are able to easily submit CTRs on an automated basis. But smaller institutions— which may have one BSA/ AML compliance officer, or just one compliance officer for the entire institution— spend ten times more on BSA/ AML compliance as a percent of their total assets. The smaller the institution, the bigger the burden. Additionally, BSA/ AML is often cited as the single most significant and costly area of compliance for financial institutions.

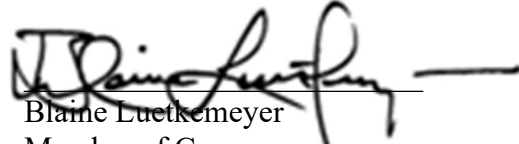
Given these extraordinary circumstances, we believe it is prudent for FinCEN to extend financial institutions' deadlines for filing CTRs at least until after the COVID-19 national emergency has

concluded. This would help banks and credit unions focus on their most urgent and important priorities during this public health emergency, which are serving consumers and keeping credit flowing to the economy. We appreciate your consideration of this request.

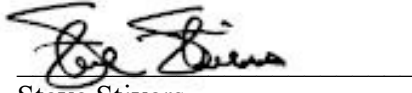
Sincerely,



Barry Loudermilk
Member of Congress



Blaine Luetkemeyer
Member of Congress




Steve Stivers
Member of Congress



Andy Barr
Member of Congress



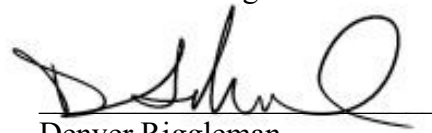
Scott Tipton
Member of Congress



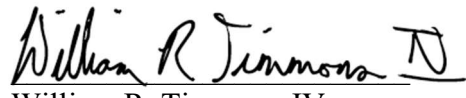
French Hill
Member of Congress



Anthony Gonzalez
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Denver Riggleman
Member of Congress



William R. Timmons IV
Member of Congress