



Filed via: [regcomments@fincen.gov](mailto:regcomments@fincen.gov)

November 14, 2011

Regulatory Policy and Programs Division  
Financial Crimes Enforcement Network  
Department of the Treasury  
P.O. Box 39  
Vienna, Virginia 22183

Attention: PRA Comments – BSA Required Electronic Filing

To Whom It May Concern:

On behalf of the California and Nevada Credit Union Leagues, I appreciate the opportunity to comment on the Financial Crimes Enforcement Network's (FinCEN's) proposal to require electronic filing on all Bank Secrecy Act reports, including the Suspicious Activity Report and the Currency Transaction Report, using FinCEN's E-filing website. By way of background, the California and Nevada Credit Union Leagues (the Leagues) are the largest state trade associations for credit unions in the United States, representing the interests of more than 400 credit unions and their 10 million members.

The Leagues applaud FinCEN on its ongoing efforts to lessen the regulatory burdens associated with Bank Secrecy Act requirements. Comments solicited from our member credit unions regarding this proposal have been overwhelmingly positive and supportive, with a large majority of respondents indicating that they already file electronically. In addition, many of those who do not currently file electronically expressed confidence that compliance with the requirement would not be burdensome, once the system and process was established at their credit union. Therefore, we support this effort—and similar efforts—by FinCEN to further modernize Bank Secrecy Act filing requirements.

However, we do have concerns that the mandatory compliance date of June 30, 2012 will be burdensome for some credit unions, particularly smaller or less technologically advanced ones. There are over 100 credit unions in California and Nevada with assets of \$20 million or less. These credit unions typically have four or fewer total employees who are responsible for running every aspect of their credit unions—areas such as member service and deposit operations, debit card support, all aspects of lending, compliance, accounting, IT, human resources, and marketing. The regulatory burdens imposed by recent laws such as the CARD Act, the SAFE Act, and the Dodd-Frank Act have been particularly heavy on these small credit unions, requiring more and more of their (limited) time and resources to be directed towards compliance.

While the e-filing of Bank Secrecy Act reports is not burdensome once in place, we believe requiring its implementation by June 30, 2012 is unfairly and unnecessarily taxing on these small credit unions. Therefore, the Leagues urge FinCEN to delay mandatory compliance for a period of one year following issuance of FinCEN's final rule for filers under a certain asset size (e.g., \$50 million). Even with this delay in the mandatory compliance date, we recommend the FinCEN also provide an exception—perhaps up to an additional 12 months—for a filer that can demonstrate hardship regarding electronic filing.

Thank you for the opportunity to provide feedback on this proposal. We appreciate your consideration of our comments and concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Diana R. Dykstra', with a large, stylized flourish at the end.

Diana R. Dykstra  
President/CEO