



September 8, 2006

Office of Chief Counsel
Financial Crimes Enforcement Network
Department of the Treasury
P.O. Box 39
Vienna, Va. 22183

Dear Sir or Madam:

BB&T Corporation is the parent company of Branch Banking and Trust Company and three affiliated banks and is currently the 9th largest financial holding company in the United States with assets exceeding \$116 billion (collectively referred to as BB&T.) BB&T owns various other non-bank subsidiaries, but for purposes of this notice and request for comments, this letter represents comments on behalf of the affiliated banks.

BB&T appreciates the opportunity to participate in the rulemaking process and provide feedback on the proposed extension, without change, to the Currency Transaction Report (CTR.) In the notice and request for comments (the notice) FinCEN is specifically requesting comments on the necessity of (CTR) information collection, the accuracy of the agency's estimate of the burden on the industry, ways to enhance the quality, utility, and clarity of the information collected, and estimate of capital or start up costs and costs of operation, maintenance, and purchase of services to provide information.

1. Whether the collection of information is necessary for the proper performance of the functions of the agency

BB&T recognizes the importance of documenting cash transactions in money laundering or terrorist financing investigations. However, the minimal number of investigations and prosecutions that have originated from CTRS shows that the routine reporting of cash transactions over \$10,000 has little degree of usefulness in criminal, tax, and regulatory investigations or proceedings, or in the conduct of intelligence or counter-intelligence activities. The majority of CTRs filed by banks are filed on behalf of seasoned clients whose normal activity involves cash transactions.

BB&T believes the reporting of suspicious or unusual transactions, whether or not cash is involved, serve a far more useful purpose in law enforcement or regulatory investigations. While a CTR contains information about a specific transaction or aggregate transactions for a specific day, the suspicious activity

report (SAR) contains much more detailed information about a single transaction or a series of transactions. For example, the narrative section of the SAR contains a description of all parties involved, all account numbers, other related parties, and an explanation of the nature of the transaction(s). A CTR simply reports on a defined event such as a deposit or a series of deposits that total more than \$10,000.

Should law enforcement need additional information about the cash transactions of a particular client, then this information would still be available through normal channels.

2. The accuracy of the agency's estimate of the burden of the collection of information

For the reasons stated below, BB&T believes that FinCEN's estimate of 25 minutes for the collection of information and the completion of each currency transaction report is significantly understated. Also, the cost of filing a CTR extends well past the time it takes to complete the form itself.

For example, if a client conducts a single cash transaction and the teller is able to complete the CTR at the time the transaction occurred, then the form could be completed in the time estimated by FinCEN. However, the form must then be reviewed by a second person to ensure that it is complete and accurate. The person reviewing the form must have a sufficient understanding of the transaction to enable them to draw conclusions about the accuracy of the form. This could add another ten to fifteen minutes to the CTR process.

Further, banks and other depository institutions, including BB&T, employ software programs that track and aggregate cash transactions. To ensure that CTRs have been completed for all applicable transactions, system generated reports are worked in the back office to match transactions to completed CTRs. This could add another ten or fifteen minutes to the process. The total time then for a simple, straightforward CTR could be forty-five to fifty-five minutes to complete the whole process. And, if the CTR cannot be completed at the time the transaction is conducted, the time to complete a CTR could be two to three times that amount after necessary research has been conducted.

The time estimate does not take into account the time spent researching transactions that would not require a CTR. As previously mentioned, BB&T uses an automated software system to monitor for multiple transactions and to ensure all reportable transactions have corresponding CTRs. Oftentimes transactions appear on these reports that would not necessitate a CTR, but that fact would not be known without research. For example, a company's payroll account may have several checks cashed in one day, but the transactions are

not by or on behalf of the same person. Without conducting research to determine who the payees were, BB&T would have no way of knowing whether a CTR was required. Depending on the number of transactions involved, this could take as much as an hour or more. This is time spent in the CTR process that cannot be allocated to a filed CTR.

Another aspect of the CTR process not tied directly to the completion of the CTR is the exemption and subsequent monitoring of a client. BB&T must conduct sufficient research on the client to determine whether they are eligible for an exemption, and then put procedures in place to monitor to ensure the client remains eligible and that activity is normal and customary. Depending on the exemption, a single exemption could take as little as ten to fifteen minutes or as much as an hour. These are repetitive rather than one-time costs.

Finally, the costs associated with audit and training should be considered when estimating regulatory burden. While these costs cannot be tied directly to the completion of a CTR, they can be substantial in terms of time commitments. Our audit staff estimates that as much as four days of each BSA / AML audit is focused on some aspect of CTR filing.

Any estimate regarding regulatory burden should take into account all aspects of the cost of compliance, not just a portion such as the preparation of a form.

3. Ways to enhance the quality, utility, and clarity of the information to be collected

As discussed in questions 1 and 4, the quality and utility of a CTR would be enhanced by ensuring that the CTR itself is useful. The elimination of unnecessary CTRs helps to ensure that those filed represent the reporting of transactions that would be useful to law enforcement or regulators.

In addition, the elimination of certain fields on the form (see question 4) would serve to enhance the quality of a CTR. For example, when a cash deposit is made to a joint account, the transaction is assumed to have been made on behalf of both parties and information must be collected and reported for both. It would be more useful if this information is indeed relevant, to have a box to check that the account is a joint account.

4. Ways to minimize the burden of the collection of information on respondents, including through the use of automated collection technology

There are two major ways in which the collection burden could be minimized. First, legislatively, through the reduction in the numbers of reports filed, either

by broadening the exemption process or by raising the reporting threshold (or both.) As mentioned above, the routine filing of reports on seasoned bank clients does little more than overload the system with useless reports. Raising the threshold of reporting to a number that is more reflective of unusual cash transactions in 2006 would substantially reduce the number of CTRs filed annually.

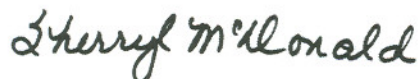
The second alternative available to FinCEN would be to reduce the amount of information collected on the form itself. Examples of information that provides questionable value to the report are the beneficiary information when a deposit involves joint accountholders, the occupation of the conductor, and a listing of all account numbers involved (e.g., when a client cashes multiple checks.)

5. Estimates of capital or start-up costs and costs of operation, maintenance, and purchases of services to provide information

It is difficult to provide a specific number as an estimate of the costs involved in the CTR process at any bank. BB&T files CTRs electronically with an estimated annual software cost of \$8,500, but these costs do not include programming costs associated with report generation or modifications to the system, nor do they include employee costs associated with the review and disposition of transactions. BB&T incurs another \$310,000 annually in back office staff dedicated to the completion and filing of CTRs, but these costs do not take into account the time a teller or other front line staff spend on collecting information and completing a CTR or the training and audit costs as previously mentioned.

BB&T appreciates the opportunity to comment on the notice, most particularly on the issue of the estimated burden of filing a CTR. BB&T feels this is an important issue and trusts that the information provided will assist FinCEN in its very difficult task of striking a balance between the needs of law enforcement and the burden placed on the private sector.

Sincerely,



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